

Ba-Phalaborwa Municipality



"Home of Marula and Wildlife Tourism"

DRAFT ANNUAL BUDGET 2013/14 MTREF

Tabled

Vision

"Best tourist destination in Limpopo by 2020"



Mission

- ❖ To ensure financial viability, sound administration and accountable governance for investor attractiveness
- ❖ To render all stakeholders with quality and affordable infrastructure and services for enhancing a safe and better life for all
- ❖ To manage the environment for future sustainable



Values

- Efficiency and accountability
- Innovation and creativity
- Professionalism & hospitality
- Transparency and fairness
 - Continuous learning
 - Conservation conscious

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ABBREVIATIONS/ACCRONYMS

CFO	Chief Financial Officer
CPIX	Consumer Price Index
DoRA	Division of Revenue Act
DPLG	Department of Provincial and Local Government
DLGH	Department of Local Government and Housing
EXCO	Executive Committee
GRAP	Generally Recognised Accounting Practice

IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulation of South Africa
NT	National Treasury
PMS	Performance Management System
PPP	Public-Private Partnerships
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget and Implementation Plan

PART ONE

DRAFT ANNUAL BUDGET

1. MAYOR'S REPORT

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2. DRAFT ANNUAL BUDGET RESOLUTIONS

The Council of Ba-Phalaborwa Local Municipality in its seating on 27th March 2013 in the Council Chamber resolved as follows with regard to the Approved Draft annual Budget for 2013/14 Medium-Term Revenue and Expenditure Framework:

2.1. Adopted Draft Annual Budget for 2013/14 MTREF

Council resolved that the draft budget and MTREF and its supporting tables of the Ba-Phalaborwa municipality for the financial year 2013/14; be approved as set out in the following tables:

Table MBRR A1	Budget Summary
Table MBRR A2	Revenue and expenditure by standard classification
Table MBRR A3	Budgeted financial performance
Table MBRR A4	Budgeted financial performance
Table MBRR A5	Budgeted capital expenditure
Table MBRR A6	Financial position
Table MBRR A7	Budget cash flows
Table MBRR A8	Cash backed reserves, accumulated surplus reconciliation
Table MBRR A9	Asset Management,
Table MBRR A10	Basic service delivery measures

2.2. Draft Annual Budget Supporting Tables for 2013/14 MTREF

That the draft budget of Ba-Phalaborwa municipality for the financial year 2013/14; and indicative figures for the two projected outer years 2014/15 and 2015/16 are approved as set-out in the following supporting tables:

Table MBRR SA1	Supporting details to budgeted financial performance
Table MBRR SA2	Consolidated Matrix Financial performance
Table MBRR SA3	Budgeted financial position
Table MBRR SA7	Measurable performance objective
Table MBRR SA8	Performance indicators and benchmark
Table MBRR SA9	Social, economic and demographic statistics and assumptions
Table MBRR SA10	Funding Measurements
Table MBRR SA11	Property rates summary,
Table MBRSA12&13	Property rates category
Table MBRR SA14	Household bills
Table MBRR SA15	Investment particulars
Table MBRR SA16	Investment particulars by maturity
Table MBRR SA17	Borrowing

Table MBRR SA20	Reconciliation of transfer, grant receipt and unspent funds
Table MBRR SA21	Transfer and grants made by the municipality
Table MBRR SA22	Summary councillor and staff benefits
Table MBRR SA23	Salaries, allowances & benefits
Table MBRR SA25	Budgeted monthly revenue and expenditure (Standard Item)
Table MBRR SA26	Budgeted monthly revenue and expenditure (Municipal vote)
Table MBRR SA27	Budgeted monthly revenue and expenditure (Standard classification)
Table MBRR SA28	Budgeted monthly capital expenditure(Municipal vote)
Table MBRR SA29	Budgeted monthly capital expenditure(Standard classification)
Table MBRR SA30	Budgeted monthly cash flow
Table MBRR SA33	Contract having future budgetary implications
Table MBRR SA34	Capital expenditure by asset classification
Table MBRR SA35	Future financial implications of the capital budget
Table MBRR SA36	Detailed capital budget
Table MBRR SA37	Detailed capital projects delayed from previous financial

2.3. Property Rates and other municipal tax

Council resolves that **adopted** property rates and other municipal tax as reflected on Tariff Schedule (Annexure A) are **imposed** for the budget year 2013/14

2.4. Tariffs and charges

Council resolves that the tariffs and charges reflected on Tariff Schedule (Annexure A) are **approved** for 2013/14 budget year be adopted for implementation.

2.5. Integrated Development Plan

Council resolves that the Integrated Development Plan be **approved** with this budget.

2.6. Credit Control, Debt Collection

Council resolves that the adopted credit control, debt collection and Consumer Care Policies be approved for 2013/14 financial year

2.7. Indigent Policies

Council resolves that the adopted Indigent Household Consumers Subsidy Policy be approved for 2013/14 financial year.

2.8. Indigent Support

- 2.8.1. Council resolves to support indigents households **approved** as per adopted indigent household consumer policy
- 2.8.2. Council further resolves that, in the event that the total subsidy in respect of approved indigents exceeds the budgeted amount, the excess amount be re-allocated from the current provision for bad debts to the relevant indigent subsidies, in view of the fact that the current bad debt is adequately provided for and the resolution related to the approval of the Indigent Policy will remain intact.
- 2.8.3. Council resolves that for the 2013/14 financial year the indigents are subsidized as set out in adopted Household Consumer and Subsidy Policy and that the subsidy will consist of the following:
- ❖ 6 kl of water per indigent household per month, where metered, alternatively the flat rate levied
 - ❖ 50 kw of electricity per indigent household per month, where metered, alternatively the flat rate levied
 - ❖ 100% Free refuse removal from residential stands in accordance with the Tariff Schedule
 - ❖ 100% Free sewer services to residential stands in accordance with the municipality's Tariff Schedule
 - ❖ Payment of Rates and Taxes on a residential property in accordance with the municipality's Property Rates and Tariff Policies
 - ❖ Payment of rental on council-occupied residential property in accordance with the municipality's Tariff Policy

2.9. Budget related policies

Council resolves that the following 2013/14 budget related policies be approved:

- ❖ Property Rates Policy
- ❖ Tariff Policy
- ❖ Credit Control Policy
- ❖ Debt Collection Policy
- ❖ Indigent Household Consumer Subsidy policy
- ❖ Supply chain management policy
- ❖ Virements policy
- ❖ Budget policy
- ❖ Petty Cash policy
- ❖ Asset Management Policy
- ❖ Bad Debts Writte Off
- ❖ Deposit Policy
- ❖ Cash management and Investment Policy

CLLR MD MAAKE

SPEAKER OF BA-PHALABORWA LOCAL MUNICIPALITY COUNCIL

3. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

In terms of Section 16. (1) Of the MFMA, the council of a municipality must for each financial year approve an annual budget for the municipality before the start of the financial year, (which is before the end of June each year). In order for a municipality to comply with the above statement indicated, the mayor of the municipality must table the annual budget at a council meeting at least **90 days** (which is before or by the end of March) before the start of the budget year.

Section 17 of the MFMA, further states that the annual budget of a municipality must be scheduled in the prescribed formats as indicated by National Treasury, and must do the following:

- Setting out **realistically anticipated revenue** for the budget year from each revenue source.
- Appropriating expenditure for the budget year under the different votes of the municipality.
- Setting out **indicative revenue per revenue source and projected expenditure by vote** for the two financial years following the budget year.

Section 18 of the MFMA, further states that the municipality may fund the expenditures from:

- Realistically anticipated revenues to be collected. (This will includes all the Grants to be received by the municipality, Donations, Transfers, and Own Revenue Collection).
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes;
- Borrowed funds, but only for the capital budget

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Key areas where savings were realized were on telephone and internet usage, printing, workshops, national travel, accommodation, and catering. The Minister of Finance stated in his 2013 Budget Speech: The NDP reminds us that South Africa needs to invest in a strong network of economic infrastructure designed to support the county's medium- and long-term economic and social objectives".

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers.

National Treasury's MFMA Circular No. 64, 66 and 67 were used to guide the compilation of the draft budget 2013/14 to 2015/16 annual budget and MTREF. The planning of the budget involved consideration of all factors, which had far reaching implications on the annual budget of the municipality.

The 2013/14- 2015/16 budget and medium-term revenue and expenditure framework was prepared on the basis of the following priorities, guidelines and assumptions:

1. National priorities

The national government's main priorities for the medium-term is services and social infrastructure development and job creation and therefore the focus and priorities of all spheres of government should be geared towards the achievement of this priorities.

As we prepare our next five year integrated development plan we need to ensure that our plans and budgets are redirected towards the achievements of these priorities. We need to continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Extended Public Works Programme.

The municipality should not just employ more people without any reference to the level of staffing required to deliver effective services, and what is financially sustainable over the medium term.

The municipality ought to focus on maximizing its contribution to job creation by:

- (a) Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate;
- (b) Ensuring that service providers use labour intensive approaches;
- (c) Supporting labour intensive Local Economic Development projects;
- (d) Participating fully in the Extended Public Works Programme; and
- (e) Implementing interns programmes to provide young people with on-the-job training.

The municipality should also play a critical role in creating an enabling environment for investments and other activities that lead to job creation.

Table 1 Budgeted Financial Performance (Revenue By Source and Expenditure By Type)

Description	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Revenue</u>					
Operational revenue from own source	251,862	249,451	260,386	274,664	289,800
Transfers recognised - operational	64,761	65,261	74,154	87,331	112,249
Transfers recognised - capital	30,778	33,778	29,333	33,301	35,379
Gains on disposal of PPE					
Total Revenue (Including Capital Transfers and Contributions)	347,401	348,490	363,873	395,295	437,428
<u>Expenditure By Type</u>					
Capital Expenditure	54,117	55,921	60,620	60,230	60,020
Repairs and Maintenance	14,012	17,394	18,227	19,181	19,703
Other Operational Expenditure	279,272	371,715	391,412	403,411	421,340
Total Expenditure	347,401	445,030	470,260	482,821	501,063
Surplus/(Deficit)	-	(96,540)	(106,387)	(87,527)	(63,635)

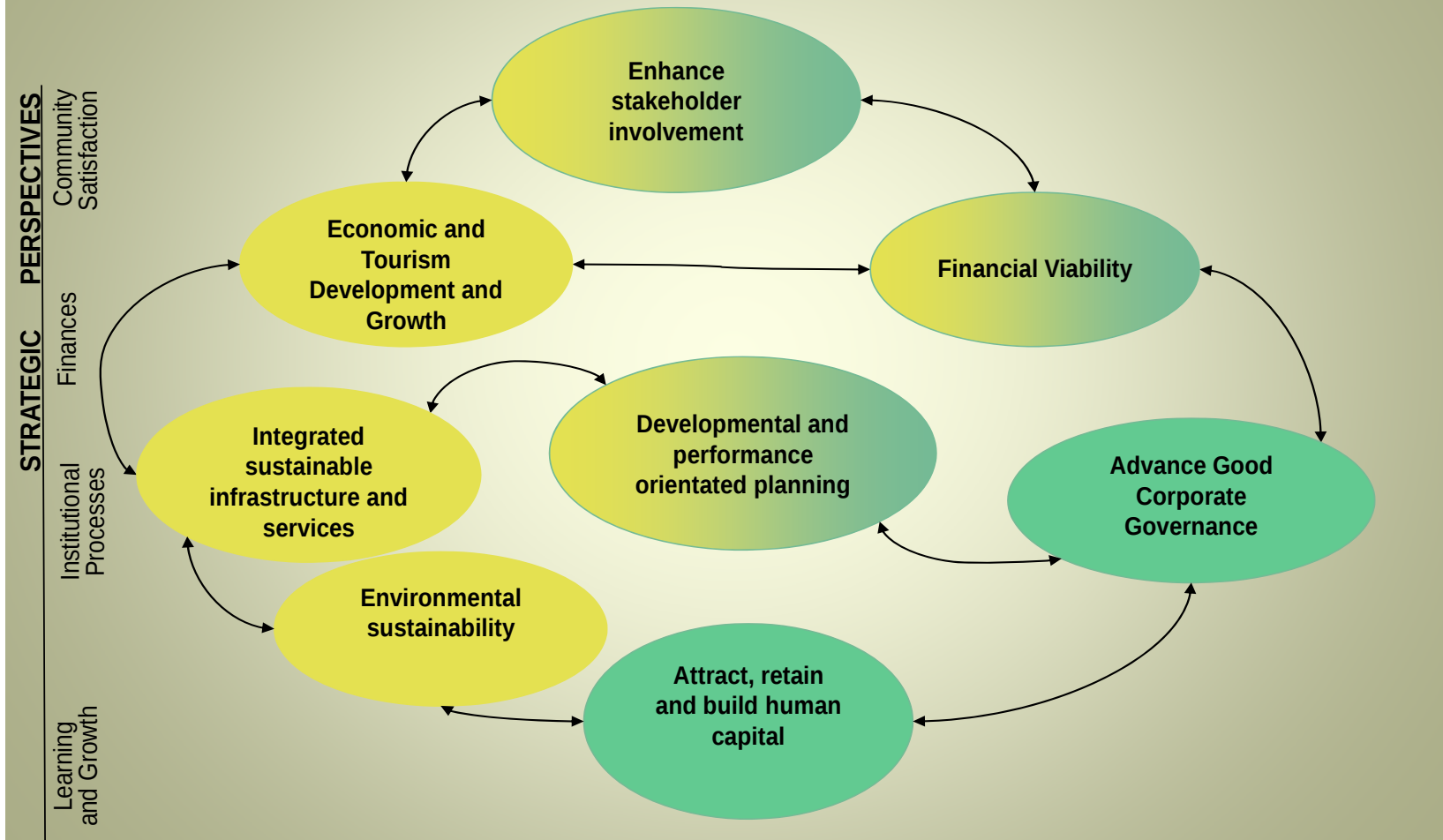
Total revenue has grown by 4.4 per cent or R15,383 million for the 2013/14 financial year compared to the 2012/13 Adjustments Budget. For the next two coming years, operational revenue will increase by 8.6 and 10.7 per cent respectively.

Total expenditure for the 2013/14 financial year has been appropriated at R470 million and translates into a budgeted deficit of R106 million resulting from non cash items (Depreciation and Debtors impairment). When compared to the 2012/13 Adjustments Budget, total expenditure has grown by 5.7 per cent in the 2013/14 budget and by 2.7 and 3.8 per cent for each of the respective outer years of the MTREF.

The capital budget for 2013/14 has increased by 8.4 per cent increase compared to the 2012/13 Adjustment Budget. The increase is due to various projects being added in the 2013/14 financial year to address the issue of service delivery. The total capital expenditure will be funded by grants and subsidies and funds to be generated internally.

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4. DRAFT ANNUAL BUDGET TABLES

4.1. BUDGET SUMMARY

LIM334 Ba-Phalaborwa - Table A1 Consolidated Budget Summary

Description R thousands	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	47,504	72,123	34,049	55,000	60,000	60,000	60,000	65,100	70,634	76,637
Service charges	46,585	72,361	73,480	99,500	101,000	101,000	101,000	101,515	102,364	103,201
Investment revenue	105	168	177	–	–	–	–	–	–	–
Transfers recognised - operational	50,572	54,769	59,910	64,761	65,261	65,261	65,261	74,154	87,331	112,249
Other own revenue	39,423	39,665	45,313	97,362	88,451	88,451	88,451	93,771	101,666	109,962
Total Revenue (excluding capital transfers and contributions)	184,189	239,086	212,929	316,623	314,712	314,712	314,712	334,540	361,994	402,049
Employee costs	67,334	72,786	–	88,620	101,472	101,472	101,472	111,154	113,145	120,046
Remuneration of councillors	10,079	11,540	9,054	13,043	11,572	11,572	11,572	12,185	12,855	13,511
Depreciation & asset impairment	22,529	38,171	74,449	5,395	76,500	76,500	76,500	76,500	76,500	76,500
Finance charges	687	811	434	1,140	760	760	760	803	848	891
Materials and bulk purchases	35,646	41,106	56,508	80,000	80,000	80,000	80,000	82,060	86,573	90,989
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	99,631	119,388	84,006	159,203	174,726	174,726	174,726	187,557	192,901	199,126
Total Expenditure	235,906	283,802	224,451	347,401	445,030	445,030	445,030	470,260	482,821	501,063
Surplus/(Deficit)	(51,717)	(44,716)	(11,522)	(30,778)	(130,318)	(130,318)	(130,318)	(135,720)	(120,827)	(99,014)
Transfers recognised - capital	26,579	19,913	20,774	30,778	33,778	33,778	33,778	29,333	33,301	35,379
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–

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Surplus/(Deficit) after capital transfers & contributions	(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)
<u>Capital expenditure & funds sources</u>										
Capital expenditure	–	–	–	54,117	55,921	55,921	55,921	60,620	60,230	60,020
Transfers recognised - capital	–	–	–	30,778	33,778	33,778	33,778	29,220	29,220	29,220
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	23,339	22,143	22,143	22,143	31,400	31,010	30,800
Total sources of capital funds	–	–	–	54,117	55,921	55,921	55,921	60,620	60,230	60,020
<u>Financial position</u>										
Total current assets	134,516	118,580	159,157	419,550	419,550	419,550	419,550	212,341	207,412	204,834
Total non current assets	920,769	1,010,432	1,191,920	1,171,307	1,171,307	1,171,307	1,171,307	1,231,748	1,294,834	1,361,154
Total current liabilities	48,213	71,218	322,786	3,100	3,100	3,100	3,100	4,800	4,940	5,120
Total non current liabilities	25,678	25,650	36,618	–	–	–	–	–	–	–
Community wealth/Equity	981,394	1,032,144	991,673	1,587,757	1,587,757	1,587,757	1,587,757	1,439,289	1,497,306	1,560,868
<u>Cash flows</u>										
Net cash from (used) operating	1,521	67,218	(9,007)	36,500	30,383	30,383	30,383	61,385	68,575	86,343
Net cash from (used) investing	(57,657)	(76,137)	(114,466)	(29,239)	(32,239)	(32,239)	(32,239)	(60,620)	(60,230)	(60,020)
Net cash from (used) financing	(8,699)	(3,124)	115,031	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	(409)	(12,453)	(20,895)	10,661	2,687	2,687	2,687	3,765	12,111	38,434
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	(409)	(12,453)	(20,895)	17,000	17,000	17,000	17,000	3,000	3,350	4,400
Application of cash and investments	(86,187)	(138,596)	141,569	(289,506)	(337,407)	(337,407)	(337,407)	(159,300)	(153,501)	(145,580)
Balance - surplus (shortfall)	85,778	126,143	(162,464)	306,506	354,407	354,407	354,407	162,300	156,851	149,980

<u>Asset management</u>										
Asset register summary (WDV)	132	319	227	1,179,061	1,179,061	1,179,061	1,239,898	1,239,898	1,303,399	1,370,156
Depreciation & asset impairment	22,529	38,171	74,449	5,395	76,500	76,500	76,500	76,500	76,500	76,500
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	12,650	17,372	17,372	18,227	18,227	19,151	19,703
<u>Free services</u>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<u>Households below minimum service level</u>										
Water:	0	0	0	0	0	0	0	0	0	0
Sanitation/sewerage:	7	7	7	7	7	7	7	7	7	7
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

NOTES

- Total Revenue excluding capital transfers and contributions is estimated at R 335M for 2013/14 FY , R362M and R402M for the year 2014/15 and 2015/16 respectively.
- Total Expenditure is estimated at R470M for 2013/14 FY
- Our budget shows a deficit of R 106M after capital transfers & contributions for 2013/14 FY and of which is as a results of non cash items which are supposed to be included in the budget as per the MBRR(Municipal Budget and Reporting Regulation)
- Our Total Capital expenditure for the year 2013/14 is estimated at R60.6M, which constitute an amounts of R29M from transfers recognized- Capital and R 31.4M of funds to be generated internally.

4.2. BUDGETED FINANCIAL PERFORMANCE

LIM334 Ba-Phalaborwa - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard										
Governance and administration		151,076	161,681	135,252	197,228	202,797	202,797	222,160	248,899	287,563
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		150,981	161,497	131,245	197,054	202,492	202,492	221,852	248,569	287,210
Corporate services		95	185	4,007	174	305	305	308	330	353
Community and public safety		11,454	7,215	2,663	17,524	8,544	8,544	7,889	8,536	8,954
Community and social services		6,471	186	2,652	16,514	6,584	6,584	5,969	6,565	6,933
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4,983	7,028	11	1,010	1,960	1,960	1,920	1,971	2,021
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		1,652	17,742	20,828	29,149	32,149	32,149	32,309	35,496	37,710
Planning and development		-	-	1,825	250	250	250	15	-	-
Road transport		1,652	17,742	19,004	28,899	31,899	31,899	32,294	35,496	37,710
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		46,585	72,361	76,155	103,500	105,000	105,000	101,515	102,364	103,201
Electricity		40,459	63,807	67,170	96,000	96,000	96,000	92,002	92,327	92,653
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		6,127	8,555	8,985	7,500	9,000	9,000	9,513	10,037	10,548
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	210,768	258,999	234,899	347,401	348,490	348,490	363,873	395,295	437,428
Expenditure - Standard	-									
Governance and administration		104,412	158,650	113,969	108,207	150,032	150,032	167,814	171,531	179,822
Executive and council		18,231	20,349	19,772	31,676	33,402	33,402	36,456	32,921	34,460
Budget and treasury office		64,301	118,603	60,728	41,307	78,933	78,933	87,659	92,562	96,991
Corporate services		21,879	19,698	33,468	35,224	37,698	37,698	43,699	46,048	48,371
Community and public safety		28,582	29,780	32,989	56,636	42,742	42,742	52,146	54,950	57,723
Community and social services		23,224	24,437	24,631	48,460	33,380	33,380	41,185	43,384	45,558

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Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		5,358	5,343	8,357	8,177	9,362	9,362	10,961	11,566	12,164
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		47,508	40,128	82,837	46,387	106,423	106,423	119,151	119,610	121,312
Planning and development		4,945	5,697	8,180	7,991	8,507	8,507	11,910	12,294	12,932
Road transport		42,564	34,431	74,657	38,395	97,916	97,916	107,241	107,315	108,380
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		55,404	55,244	88,561	136,170	145,833	145,833	131,149	136,731	142,206
Electricity		52,483	52,967	84,387	131,468	141,185	141,185	125,959	131,285	136,510
Water		-	-	2,227	-	-	-	-	-	-
Waste water management		-	-	2	-	-	-	-	-	-
Waste management		2,921	2,277	1,945	4,703	4,649	4,649	5,190	5,446	5,697
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	235,906	283,802	318,356	347,401	445,030	445,030	470,260	482,821	501,063
Surplus/(Deficit) for the year		(25,138)	(24,803)	(83,457)	0	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)

NOTES

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- Total Revenue by Standard Classification will be R363.8M for the year 2013/14 and total Expenditure by Standard Classification is estimated at R470M.
- It must be noted that the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4
- The municipality will have a deficit of R106.4M at the end of the financial year 2013/14, which includes non cash items(Dept impairment and Depreciation and Asset impairment)

4.3. BUDGETED FINANCIAL PERFORMANCE BY MUNICIPAL VOTE

LIM334 Ba-Phalaborwa - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Revenue by Vote</u>	1									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		150,981	161,497	131,245	197,054	202,492	202,492	221,852	248,569	287,210
Vote 3 - Corporate Services		95	185	4,007	174	305	305	308	330	353
Vote 4 - Community and Social Services		17,581	15,769	11,648	25,024	17,544	17,544	17,402	18,572	19,502
Vote 5 - Planning and Development		-	-	1,825	250	250	250	15	-	-
Vote 6 - Technical Services Department		42,111	81,548	86,174	124,899	127,899	127,899	124,296	127,823	130,363
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	210,768	258,999	234,899	347,401	348,490	348,490	363,873	395,295	437,428
<u>Expenditure by Vote to be appropriated</u>	1									
Vote 1 - Executive and Council		18,231	20,349	19,772	31,676	33,402	33,402	36,456	32,921	34,460
Vote 2 - Budget and Treasury Department		64,301	118,603	60,728	41,307	78,933	78,933	87,659	92,562	96,991
Vote 3 - Corporate Services		21,879	19,698	33,468	35,224	37,698	37,698	43,699	46,048	48,371
Vote 4 - Community and Social Services		31,503	32,057	34,934	61,339	47,391	47,391	57,336	60,395	63,419
Vote 5 - Planning and Development		4,945	5,697	8,180	7,991	8,507	8,507	11,910	12,294	12,932
Vote 6 - Technical Services Department		95,046	87,398	161,274	169,863	239,101	239,101	233,200	238,601	244,890
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-

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0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	235,906	283,802	318,356	347,401	445,030	445,030	470,260	482,821	501,063
Surplus/(Deficit) for the year	2	(25,138)	(24,803)	(83,457)	0	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)

Notes

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote.
- This table facilitates the view of the budgeted operating performance in relation to the organisational structure of Ba-phalaborwa municipality, this means it is possible to present the operating surplus or deficit of a vote.
- Total Revenue by Municipal Vote will be R363M for the year 2013/14 and total Expenditure by Vote is estimated at R475M.
- And as a results, the municipality will be facing a deficit of R106M at the end of the financial year 2013/14, but shows a surplus if you subtract the non cash items.

4.4. BUDGETED MUNICIPAL PERFORMANCE REVENUE AND EXPENDITURE

LIM334 Ba-Phalaborwa - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Revenue By Source											
Property rates	2	47,504	72,123	34,049	55,000	60,000	60,000	60,000	65,100	70,634	76,637
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	40,459	63,807	64,500	92,000	92,000	92,000	92,000	92,002	92,327	92,653
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	6,127	8,555	8,980	7,500	9,000	9,000	9,000	9,513	10,037	10,548
Service charges - other											
Rental of facilities and equipment		95	185	200	174	305	305	305	308	330	353
Interest earned - external investments		105	168	177							
Interest earned - outstanding debtors		26,222	14,524	41,117	77,943	77,943	77,943	77,943	84,568	91,756	99,555
Dividends received						3	3	3	2	3	3
Fines		509	510	426	950	1,900	1,900	1,900	1,900	1,950	2,000
Licences and permits		4,474	6,519	1,482	16,202	6,202	6,202	6,202	5,690	6,276	6,634
Agency services				560			-	-			
Transfers recognised - operational		50,572	54,769	59,910	64,761	65,261	65,261	65,261	74,154	87,331	112,249
Other revenue	2	1,652	17,742	1,528	2,093	2,098	2,098	2,098	1,303	1,352	1,416
Gains on disposal of PPE		6,471	186								
Total Revenue (excluding capital transfers and contributions)		184,189	239,086	212,929	316,623	314,712	314,712	314,712	334,540	361,994	402,049
Expenditure By Type											
Employee related costs	2	67,334	72,786	-	88,620	101,472	101,472	101,472	111,154	113,145	120,046
Remuneration of councillors		10,079	11,540	9,054	13,043	11,572	11,572	11,572	12,185	12,855	13,511
Debt impairment	3	10,602	51,937		2,300	28,300	28,300	28,300	29,913	31,558	33,168
Depreciation & asset impairment	2	22,529	38,171	74,449	5,395	76,500	76,500	76,500	76,500	76,500	76,500
Finance charges		687	811	434	1,140	760	760	760	803	848	891

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Bulk purchases	2	35,646	41,106	56,508	80,000	80,000	80,000	80,000	82,060	86,573	90,989
Other materials	8										
Contracted services		10,294	5,976	17,648	9,580	25,780	25,780	25,780	28,242	29,795	31,314
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4,5	78,735	59,376	66,358	147,323	120,646	120,646	120,646	129,402	131,547	134,644
Loss on disposal of PPE			2,099								
Total Expenditure		235,906	283,802	224,451	347,401	445,030	445,030	445,030	470,260	482,821	501,063
Surplus/(Deficit)		(51,717)	(44,716)	(11,522)	(30,778)	(130,318)	(130,318)	(130,318)	(135,720)	(120,827)	(99,014)
Transfers recognised - capital		26,579	19,913	20,774	30,778	33,778	33,778	33,778	29,333	33,301	35,379
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)
Taxation											
Surplus/(Deficit) after taxation		(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)

Notes

- Total Revenue (excluding capital transfers and contributions) will be R334 million for 2013/14 financial year and escalates to R366 million for 2014/15 financial year and R402 million for 2015/16 financial year.
- Revenue to be generated from property rate is estimated at R65 million in 2013/14 financial year and increases to R70 million in 2014/15 and R76 million for 2015/16 financial year.
- Services charges relating to electricity, and refuse removal constitutes the biggest component of the revenue basket for Ba-phalaborwa municipality totaling to R101,5 million for 2013/14 financial year and increasing to R103.2 million for 2015/16 financial year.
- Transfers recognised – operating includes the local government equitable share which shows an increase for the two outer years.
- Total Expenditure is estimated at R470M for 2013/14 FY, and the municipality is anticipating a deficit of R111M at the end of the financial year.

4.5. BUDGETED CAPITAL EXPENDITURE BY VOTE

LIM334 Ba-Phalaborwa - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services Department		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	1,900	1,510	1,300
Vote 2 - Budget and Treasury Department		-	-	-	-	-	-	-	1,500	1,500	1,500
Vote 3 - Corporate Services		-	-	-	2,939	2,939	2,939	2,939	5,400	5,400	5,400
Vote 4 - Community and Social Services		-	-	-	1,400	200	200	200	7,000	7,000	7,000
Vote 5 - Planning and Development		-	-	-	-	-	-	-	2,700	2,700	2,700
Vote 6 - Technical Services Department		-	-	-	49,778	52,782	52,782	52,782	42,120	42,120	42,120
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-

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0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	54,117	55,921	55,921	55,921	60,620	60,230	60,020
Total Capital Expenditure - Vote		-	-	-	54,117	55,921	55,921	55,921	60,620	60,230	60,020
Capital Expenditure - Standard											
Governance and administration		-	-	-	2,939	2,939	2,939	2,939	8,800	8,410	8,200
Executive and council									1,900	1,510	1,300
Budget and treasury office									1,500	1,500	1,500
Corporate services					2,939	2,939	2,939	2,939	5,400	5,400	5,400
Community and public safety		-	-	-	1,400	200	200	200	7,000	7,000	7,000
Community and social services					1,400	200	200	200	7,000	7,000	7,000
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		-	-	-	26,778	29,778	29,778	29,778	24,820	24,820	24,820
Planning and development									2,700	2,700	2,700
Road transport					26,778	29,778	29,778	29,778	22,120	22,120	22,120
Environmental protection											
Trading services		-	-	-	23,000	23,004	23,004	23,004	20,000	20,000	20,000
Electricity					23,000	23,004	23,004	23,004	20,000	20,000	20,000
Water											
Waste water management											
Waste management											
Other											
Total Capital Expenditure - Standard	3	-	-	-	54,117	55,921	55,921	55,921	60,620	60,230	60,020
Funded by:											
National Government					30,778	33,778	33,778	33,778	29,220	29,220	29,220
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	-	30,778	33,778	33,778	33,778	29,220	29,220	29,220
Public contributions & donations	5										
Borrowing	6										

Internally generated funds					23,339	22,143	22,143	22,143	31,400	31,010	30,800
Total Capital Funding	7	-	-	-	54,117	55,921	55,921	55,921	60,620	60,230	60,020

4.6. BUDGETED FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		3,377	3,612	1,501	13,500	13,500	13,500	13,500	2,500	3,000	3,500
Call investment deposits	1	-	-	-	3,500	3,500	3,500	3,500	500	350	900
Consumer debtors	1	125,300	106,790	152,863	375,000	375,000	375,000	375,000	180,000	175,000	170,000
Other debtors				349							
Current portion of long-term receivables					18,750	18,750	18,750	18,750	20,000	19,500	21,500
Inventory	2	5,839	8,177	4,443	8,800	8,800	8,800	8,800	9,341	9,562	8,934
Total current assets		134,516	118,580	159,157	419,550	419,550	419,550	419,550	212,341	207,412	204,834
Non current assets											
Long-term receivables			31,680								
Investments											
Investment property					5,500	5,500	5,500	5,500	6,000	6,500	7,000
Investment in Associate											
Property, plant and equipment	3	920,636	978,434	1,191,694	1,163,616	1,163,616	1,163,616	1,163,616	1,222,960	1,285,331	1,350,883
Agricultural					240	240	240	240	250	260	270
Biological		132	319	227	218	218	218	218	238	243	251
Intangible					1,733	1,733	1,733	1,733	2,300	2,500	2,750
Other non-current assets											
Total non current assets		920,769	1,010,432	1,191,920	1,171,307	1,171,307	1,171,307	1,171,307	1,231,748	1,294,834	1,361,154
TOTAL ASSETS		1,055,285	1,129,012	1,351,077	1,590,857	1,590,857	1,590,857	1,590,857	1,444,089	1,502,246	1,565,988
LIABILITIES											

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Current liabilities	-										
Bank overdraft	1	3,786	16,065	22,397							
Borrowing	4	3,925	54,166	4,200	-	-	-	-	-	-	-
Consumer deposits		973	987	1,231							
Trade and other payables	4	39,217	-	294,959	-	-	-	-	-	-	-
Provisions		311			3,100	3,100	3,100	3,100	4,800	4,940	5,120
Total current liabilities		48,213	71,218	322,786	3,100	3,100	3,100	3,100	4,800	4,940	5,120
Non current liabilities											
Borrowing		25,678	25,650	36,618	-	-	-	-	-	-	-
Provisions		-	-	-	-	-	-	-	-	-	-
Total non current liabilities		25,678	25,650	36,618	-	-	-	-	-	-	-
TOTAL LIABILITIES		73,891	96,868	359,404	3,100	3,100	3,100	3,100	4,800	4,940	5,120
NET ASSETS	5	981,394	1,032,144	991,673	1,587,757	1,587,757	1,587,757	1,587,757	1,439,289	1,497,306	1,560,868
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		162,276	213,026	70,940	1,587,757	1,587,757	1,587,757	1,587,757	560,058	573,234	589,669
Reserves	4	819,118	819,118	920,733	-	-	-	-	879,231	924,072	971,199
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	981,394	1,032,144	991,673	1,587,757	1,587,757	1,587,757	1,587,757	1,439,289	1,497,306	1,560,868

NOTES

➤ Table 66 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:

- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions non current;
- Changes in net assets; and

- Reserves

- Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position.
- As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end.
- Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt.

4.7. BUDGETED CASH FLOWS

LIM334 Ba-Phalaborwa - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		127,146	184,130	153,019	194,441	224,441	224,441	224,441	230,440	240,918	248,167
Government - operating	1	50,572	54,769	60,310	64,761	65,261	65,261	65,261	74,154	85,841	110,650
Government - capital	1	26,579	19,913	20,374	30,778	33,778	33,778	33,778	29,333	33,301	35,379
Interest						–	–	–			
Dividends						3	3	3			
Payments											
Suppliers and employees		(202,088)	(190,784)	(242,276)	(252,340)	(292,340)	(292,340)	(292,340)	(271,738)	(290,637)	(306,963)
Finance charges		(687)	(811)	(434)	(1,140)	(760)	(760)	(760)	(803)	(848)	(891)
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		1,521	67,218	(9,007)	36,500	30,383	30,383	30,383	61,385	68,575	86,343
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		6,471	959	244							
Decrease (Increase) in non-current debtors				3,734							
Decrease (increase) other non-current receivables		(34,151)	(47,681)	(78,457)							

Decrease (increase) in non-current investments											
Payments											
Capital assets		(29,978)	(29,415)	(39,987)	(29,239)	(32,239)	(32,239)	(32,239)	(60,620)	(60,230)	(60,020)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(57,657)	(76,137)	(114,466)	(29,239)	(32,239)	(32,239)	(32,239)	(60,620)	(60,230)	(60,020)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits				123,037							
Payments											
Repayment of borrowing		(8,699)	(3,124)	(8,006)							
NET CASH FROM/(USED) FINANCING ACTIVITIES		(8,699)	(3,124)	115,031	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(64,835)	(12,044)	(8,442)	7,261	(1,856)	(1,856)	(1,856)	765	8,345	26,323
Cash/cash equivalents at the year begin:	2	64,425	(409)	(12,453)	3,400	4,542	4,542	4,542	3,000	3,765	12,111
Cash/cash equivalents at the year end:	2	(409)	(12,453)	(20,895)	10,661	2,687	2,687	2,687	3,765	12,111	38,434

NOTES

- The budgeted cash flow statement is the first measurement in determining if the budget is funded, It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
- It can be seen that the cash levels of Ba-phalaborwa municipality fell significantly over the 2009/10 to 2010/11 period owing directly to a net decrease in cash for the 2010/11 financial year of R20 million.
- Cash and cash equivalents totals R2.6M as at the end of the 2012/13 financial year and escalates to R3.5M by 2013/14 financial year.

4.8. CASH BACKED RESERVES/ACCUMULATED SURPLUSES

LIM334 Ba-Phalaborwa - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
<u>Cash and investments available</u>											
Cash/cash equivalents at the year end	1	(409)	(12,453)	(20,895)	10,661	2,687	2,687	2,687	3,765	12,111	38,434
Other current investments > 90 days		(0)	(0)	0	6,339	14,313	14,313	14,313	(765)	(8,761)	(34,034)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		(409)	(12,453)	(20,895)	17,000	17,000	17,000	17,000	3,000	3,350	4,400
<u>Application of cash and investments</u>											
Unspent conditional transfers		-	-	2,789	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(86,187)	(138,596)	138,780	(289,506)	(337,407)	(337,407)	(337,407)	(159,300)	(153,501)	(145,580)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(86,187)	(138,596)	141,569	(289,506)	(337,407)	(337,407)	(337,407)	(159,300)	(153,501)	(145,580)
Surplus(shortfall)		85,778	126,143	(162,464)	306,506	354,407	354,407	354,407	162,300	156,851	149,980

NOTES

- As per the audited outcome for 2009/10 to 2010/11 financial years, it can be concluded that the adopted MTREF for those financial years was funded except for for 2011/12 financial year owing to the significant deficit of R162 million.
- As part of the budgeting and planning guidelines that informed the compilation of the 2012/13 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
- As can be seen the budget has been modelled to progressively maintain that tendency of having surpluses at the end of the financial year.

4.9. ASSET MANAGEMENT

LIM334 Ba-Phalaborwa - Table A9 Consolidated Asset Management

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	-	-	-	54,117	55,921	55,921	60,620	60,230	60,020
Infrastructure - Road transport		-	-	-	26,778	29,778	29,778	22,120	22,120	22,120
Infrastructure - Electricity		-	-	-	23,000	23,004	23,004	20,000	20,000	20,000
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	1,500	1,500	1,500
Infrastructure		-	-	-	49,778	52,782	52,782	43,620	43,620	43,620
Community		-	-	-	1,400	-	-	7,000	7,000	7,000
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	2,939	3,139	3,139	10,000	9,610	9,400
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-

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Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4									
Infrastructure - Road transport		-	-	-	26,778	29,778	29,778	22,120	22,120	22,120
Infrastructure - Electricity		-	-	-	23,000	23,004	23,004	20,000	20,000	20,000
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	1,500	1,500	1,500
Infrastructure		-	-	-	49,778	52,782	52,782	43,620	43,620	43,620
Community		-	-	-	1,400	-	-	7,000	7,000	7,000
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	2,939	3,139	3,139	10,000	9,610	9,400
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	-	-	-	54,117	55,921	55,921	60,620	60,230	60,020
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport					450,000	450,000	450,000	472,950	497,070	522,421
Infrastructure - Electricity					360,000	360,000	360,000	378,360	397,656	417,937
Infrastructure - Water					241,370	241,370	241,370	253,680	266,618	280,215
Infrastructure - Sanitation					120,000	120,000	120,000	126,120	132,552	139,312
Infrastructure - Other										
Infrastructure		-	-	-	1,171,370	1,171,370	1,171,370	1,231,110	1,293,896	1,359,885
Community										
Heritage assets										
Investment properties		-	-	-	5,500	5,500	5,500	6,000	6,500	7,000
Other assets										
Agricultural Assets		-	-	-	240	240	240	250	260	270
Biological assets		132	319	227	218	218	218	238	243	251
Intangibles		-	-	-	1,733	1,733	1,733	2,300	2,500	2,750
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	132	319	227	1,179,061	1,179,061	1,179,061	1,239,898	1,303,399	1,370,156
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		22,529	38,171	74,449	5,395	76,500	76,500	76,500	76,500	76,500

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Repairs and Maintenance by Asset Class	3	-	-	-	12,650	17,372	17,372	18,227	19,151	19,703
Infrastructure - Road transport		-	-	-	420	5,370	5,370	5,370	5,400	5,430
Infrastructure - Electricity		-	-	-	4,950	4,550	4,550	4,550	4,600	4,650
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	1,100	1,100	1,194	1,201	1,251
Infrastructure		-	-	-	5,370	11,020	11,020	11,114	11,201	11,331
Community		-	-	-	4,950	4,061	4,061	4,310	4,450	4,630
Heritage assets		-	-	-	-	-	-	22	32	42
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	-	-	2,330	2,291	2,291	2,781	3,468	3,700
TOTAL EXPENDITURE OTHER ITEMS		22,529	38,171	74,449	18,045	93,872	93,872	94,727	95,651	96,203
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		0.0%	0.0%	0.0%	1.1%	1.5%	1.5%	1.5%	1.5%	1.5%
<i>Renewal and R&M as a % of PPE</i>		0.0%	0.0%	0.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

NOTES

- Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

4.10. BASIC SERVICE DELIVERY MEASUREMENT

LIM334 Ba-Phalaborwa - Table A10 Consolidated basic service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Household service targets</u>	1									
<u>Water:</u>										
Piped water inside dwelling		12,251	12,251	12,251	12,251	12,251	12,251	12,251	12,251	12,251
Piped water inside yard (but not in dwelling)		17,082	17,082	17,082	17,082	17,082	17,082	17,082	17,082	17,082
Using public tap (at least min.service level)	2	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812
Other water supply (at least min.service level)	4	413	413	413	413	413	413	413	413	413
<i>Minimum Service Level and Above sub-total</i>		33,558	33,558	33,558	33,558	33,558	33,558	33,558	33,558	33,558
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4	234	234	234	234	234	234	234	234	234
No water supply										
<i>Below Minimum Service Level sub-total</i>		234	234	234	234	234	234	234	234	234
Total number of households	5	33,792	33,792	33,792	33,792	33,792	33,792	33,792	33,792	33,792
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		14,056	14,056	14,056	14,056	14,056	14,056	14,056	14,056	14,056
Flush toilet (with septic tank)		1,090	1,090	1,090	1,090	1,090	1,090	1,090	1,090	1,090
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868
Other toilet provisions (> min.service level)		9,166	9,166	9,166	9,166	9,166	9,166	9,166	9,166	9,166
<i>Minimum Service Level and Above sub-total</i>		27,180	27,180	27,180	27,180	27,180	27,180	27,180	27,180	27,180
Bucket toilet										
Other toilet provisions (< min.service level)										

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No toilet provisions		6,612	6,612	6,612	6,612	6,612	6,612	6,612	6,612
<i>Below Minimum Service Level sub-total</i>		6,612	6,612	6,612	6,612	6,612	6,612	6,612	6,612
Total number of households	5	33,792	33,792	33,792	33,792	33,792	33,792	33,792	33,792
<u>Energy:</u>									
Electricity (at least min.service level)		33,892	7,000	7,000	7,000	7,000			
Electricity - prepaid (min.service level)									
<i>Minimum Service Level and Above sub-total</i>		33,892	7,000	7,000	7,000	7,000	-	-	-
Electricity (< min.service level)									
Electricity - prepaid (< min. service level)									
Other energy sources									
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-
Total number of households	5	33,892	7,000	7,000	7,000	7,000	-	-	-
<u>Refuse:</u>									
Removed at least once a week									
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-
Removed less frequently than once a week									
Using communal refuse dump									
Using own refuse dump									
Other rubbish disposal									
No rubbish disposal									
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-
<u>Households receiving Free Basic Service</u>	7								
Water (6 kilolitres per household per month)			2,400,000	2,400,000	2,400,000	2,400,000			
Sanitation (free minimum level service)									
Electricity/other energy (50kwh per household per month)									
Refuse (removed at least once a week)									
<u>Cost of Free Basic Services provided (R'000)</u>	8								
Water (6 kilolitres per household per month)									
Sanitation (free sanitation service)									
Electricity/other energy (50kwh per household per month)									

month)									
Refuse (removed once a week)									
Total cost of FBS provided (minimum social package)		-	-	-	-	-	-	-	-
Highest level of free service provided									
Property rates (R value threshold)									
Water (kilolitres per household per month)									
Sanitation (kilolitres per household per month)									
Sanitation (Rand per household per month)									
Electricity (kwh per household per month)									
Refuse (average litres per week)									
Revenue cost of free services provided (R'000)	9								
Property rates (R15 000 threshold rebate)									
Property rates (other exemptions, reductions and rebates)									
Water									
Sanitation									
Electricity/other energy									
Refuse									
Municipal Housing - rental rebates									
Housing - top structure subsidies									
Other									
Total revenue cost of free services provided (total social package)	6	-	-	-	-	-	-	-	-

PART TWO

DRAFT ANNUAL BUDGET

SUPPORTING INFORMATION

5. OVERVIEW OF ANNUAL BUDGET

5.1. Schedule of key deadlines relating to budget process

The IDP, Budget, PMS and MPAC calendar presents the activities that will be undertaken by both the District Municipality and Ba-Phalaborwa Municipality during the 2012/13 financial year. The activities will culminate in the adoption of the 2013/14 IDP both Mopani District Municipality and Ba-Phalaborwa Municipality.

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
IDP			
July 2012	Preparatory Phase • District IDP Technical Committee Meeting (IDP Framework and Process Plan). • IDP, Budget & PMS Operational Meeting (IDP Framework & Process Plan) • IDP, Budget & PMS Technical Meeting (IDP Framework & Process Plan) • IDP, Budget & PMS Steering Committee Meeting (Framework & Process Plan) • IDP, Budget & PMS Rep Forum (Framework & Process Plan) • Mayor tables IDP/Budget/PMS/MPAC Framework & Process Plan in (Special Council)	• 06/07/2012 • 11/07/2012 • 13/07/2012 • 17/07/2012 • 26/07/2012 • 31/07/2012	31 July 2012

Budget			
	• Establish Departmental Budget	• 25/07/2012 – 05/09/2012	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	Committees (include councillors & officials).		
PMS			
	• Compilation of 2011/12 4th quarterly report • Conclude 2012/13 annual performance agreements • Submit final approved SDBIP	• 02/07/2012-16/07/2012 • 02/07/2012 - 27/07/2012 • 30/07/2012	
MPAC			
	• District MPAC Framework and Process Plan. • Presentation of Draft Work programme to the Rep Forum. • Final Work Programme presented to Council • Consideration of SDBIP • Consideration of Institutional 4th Quarterly Report	• 06/07/2012 • 26/07/2012 • 31/07/2012 • 31/07/2012 • 01/08/2012	
IDP			
August 2012	Analysis Phase • Data collection (ward-based planning) • Data analysis and interpretation • Community Satisfaction Survey	• 01/08/2012 – 31/08/2012 • 01/08/2012 – 31/08/2012 • 01/08/2012 – 25/09/2012	31 August 2012

Budget			
	• 2011/12 internal analysis of	• 31/08/2012	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	financial and non-financial performance. Determine financial position and assess financial capacity against future strategies.		
PMS			
	• 2011/12 IDP implementation feedback: First Quarter Mayoral Imbizo • Make public the 2012/13 SDBIP • Make public 2012/13 annual performance agreements and ensure that copies are submitted to Council and MEC:CoGHSTA • Submission of 2011/12 Departmental Annual Performance Report • Place 2012/13 annual performance agreements on the municipal website. • Individual performance assessments(2011/12 Fourth Quarter)	• 01/08/2012 – 13/08/2012 • 15/08/2012 • 15/08/2012 • 15/08/2012 • 15/08/2012 • 01/08/2012-31/08/2012	
MPAC			
	• Consideration of Annual Performance Agreements versus the final SDBIP	• 01/08/2012	

	• Collection of public comments during the mayoral imbizo	• 01/08/2012	
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Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	Consider the 2013/14 IDP/Budget/MPAC process plan	01/08/2012	
IDP			
September 2012	Analysis Phase (cont) - IDP, Budget & PMS Operational Meeting (Analysis Phase) - IDP, Budget & PMS Technical Meeting (Analysis Phase) - IDP, Budget & PMS Steering Meeting (Analysis Phase) - IDP, Budget & PMS Rep Forum (Analysis Phase)	11/09/2012 14/09/2012 18/09/2012 25/09/2012	30 September 2012
Budget			
	- Circulate budget schedules to all departments - Consolidate draft core departments business plans & budgets - Review resources frames and financial strategies	28/09/2012 – 08/10/2012 07/10/2012 – 14/10/2012 30/09/2012 – 04/11/2012	
PMS			
	- Individual performance assessment report (2011/12 Fourth Quarter) - Submission of Final 2011/12	07/09/2012 26/09/2012	

departmental annual reports

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
IDP			
October 2012	Strategies Phase - Strategic Session - IDP/Budget & PMS Operational Meeting (Strategic Plan)	03/10/2012 – 05/10/2012 30/10/2012	31 October 2012
Budget			
	- Commence preparation for the 2013/16 departmental operational plans and service delivery and budget implementation plan aligned to strategic priorities in IDP and inputs from other stakeholders including government and bulk service providers (and NERSA) - Submission of departmental adjustment budgets - Departmental budgets inputs for 2013/16	12-15/12/2012 15/12/2012 15/12/2012	
PMS			
	- Individual performance assessments (2012/13 First Quarter) - Continuation of preparations for 2011/12 annual report utilizing financial and non-financial	01/10/2012 - 31/10/2012 01/10/2012 - 31/10/2012	

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**information first reviewed as
part of budget and IDP analysis**

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	• Compilation of 2012/13 first quarter institutional performance report.	• 01/10/2011-31/10/2011	
IDP			
November 2012	Strategies Phase (cont) • IDP/Budget & PMS Technical Meeting (Strategic Plan) • Advisory Board meeting with Municipal Manager • IDP/Budget & PMS Steering Committee (Strategic Plan) • IDP/Budget & PMS Rep. Forum (Strategic Plan)	• 02/11/2012 • 08/11/2012 • 16/11/2012	30 November 2012
Budget			
	• Community and stakeholder consultation process, review inputs, financial models, assess impacts on tariffs and charges and consider funding decisions including borrowing. Adjust estimates based on plans and resources. Commence consultation on the proposed tariffs. Check the tariff submission date and align. • Draft five year Financial Plan	• 01/11/2012 – 30/11/2012 • 01/11/2012 – 30/11/2012	

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Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
PMS			
	- Individual performance assessments report (2012/13 First Quarter) - Mayoral Imbizo on first quarter performance	14/11/2012 12/11/2012-19/11/2012	
MPAC			
	- Consideration of Annual Institutional Performance Report - Collection of public comments during mayoral Imbizo on 1st Quarter performance	01/10/2012 12/11/2012 – 19/11/2012	
IDP			
December 2012	Projects Phase - Develop a list of projects - Projects prioritisation task team establishment (Projects Phase – Projects Prioritisation)	21/11/2012 – 03/12/2012 07/12/2012 – 19/12/2012	31 December 2012
PMS			
	- Oversight training for MPAC members for probing the 2011/12 annual report. - Finalize the draft annual report incorporating financial and non financial information on	performance, audit reports and annual financial statements	
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- 03/12/2013-14/12/2013

- 15/12/2013
-

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	Present draft annual report to Municipal Manager	21/12/2013	
MPAC			
	Develop schedule for considering the 2011/12 Annual Report	01/12/2012	
IDP			
January 2013	Projects Phase (cont) - IDP, Budget & PMS Operational Meeting (projects prioritisation) - IDP, Budget & PMS Technical Meeting (projects prioritisation) - Advisory Board meeting with Municipal Manager - IDP, Budget & PMS Steering meeting (projects prioritisation) - IDP, Budget & PMS Representative Forum (project priority list)	14/01/2013 18/01/2013 22/01/2013 29/01/2013	31 January 2013
Budget			
	Finalise the 2013/16 inputs from bulk resource providers (and NERSA) and agree on proposed price increase. (Align after submission of proposed tariffs)	01/12/2013 – 09/12/2013	

	• Mid-Year Performance Assessment and recommend and adjustment budget, if necessary.	• 26/01/2013	
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Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	- Incorporate priorities from the President's State of the Nation Address, National Treasury and SALGA for further budget consideration. - Review all aspects of the 2012/14 budget including any unforeseen and unavoidable expenditure in light of need for an adjustment budget. - Tabling and approval of an adjustments budget (if necessary)	23/01/2013– 27/01/2013 09/01/2013 – 27/01/2013 31/01/2013	
PMS			
	- Compilation of 2012/13 Mid-year report - Mayor tables 2011/12 annual report to council - Make public the 2011/12 annual report and invite comments from local community, submit report to Auditor-General, Provincial Treasury & CoGHSTA - Consider monthly & mid-year reports for the period ended 31 December 2011. - Review implementation of	03/01/2013 - 21/01/2013 31/01/2013 31/01/2013 31/01/2013 31/01/2013	

	budget and service delivery plan (SDBIP), identify problems and	
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Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	amend or recommend appropriate amendments. Submit report to council and make public any amendments to the SDBIP by the end of January 2012 Mayor reports to Council the status of next three year budget, 2011/12 annual report (including AFS & audit report) and summarizes overall findings of 2011/12 annual performance report.	31/01/2013	
IDP			
February 2013	Integration Phase - Submission of Sector Plans - IDP, Budget & PMS Operational meeting (Sector plans) - IDP, Budget & PMS Technical meeting (Sector plans) - Advisory Board meeting with Municipal Manager - IDP, Budget & PMS Steering meeting (Sector plans) - IDP, Budget & PMS Representative Forum (Sector	03/02/2013 – 11/02/2013 12/02/2013 15/02/2013 19/02/2013 28/02/2013	28 February 2013

plans).

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
Budget			
	• Incorporate directives from the National budget and Provincial and National allocations to municipalities into budget. • Submit the 2012/14 approved adjustments budget to the Provincial & National Treasury & any other affected organ of state (10 days after approval.) • Finalise the 2013/16 detailed operating & capital budgets in the prescribed formats incorporating National and Provincial budget allocations, integrate and align to IDP documentation and draft SDBIP, finalise budget policies including tariff policy.	• 03/02/2013 – 29/02/2013 • 14/02/2013 • 15/02/2013	
PMS			
	• Individual Performance Assessments (2012/13 Second Quarter) • Place 2011/12 annual report on the municipal website • Mayoral Imbizo	• 01/02/2013- 28/02/2013 • 05/02/2013 • 05/02/2013 – 16/02/2013	
MPAC			

Draft Annual Budget 2013/14

	• Considering the 2011/12 annual report	• 01/02/2013-28/02/2013	
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Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	- Consider the 2012/13 Mid Year Report - Review individual annual performance report for 2012/13	01/02/2013 01/03/2013	
IDP			
March 2013	Approval Phase (Draft IDP) - IDP, Budget & PMS operational meeting (Draft 2013/14 IDP, Budget & PMS) - IDP, Budget & PMS Technical meeting (Draft 2013/14 IDP, Budget & PMS) - IDP, Budget & PMS Steering meeting (Draft 2013/14 IDP, Budget & PMS) - IDP, Budget & PMS Representative Forum (Draft 2013/14 IDP, Budget & PMS) - Establishment of IDP, Budget & PMS Public Participation Teams. - Mayor table Draft IDP, Budget & PMS for adoption by Council. - Publication of the IDP, Budget & PMS Public Participation schedule	06/03/2013 11/03/2013 15/03/2013 18/03/2013 18/03/2013 – 22/03/2013 28/03/2013 31/03/2013	31 March 2013
Budget			

Draft Annual Budget 2013/14

	Consolidation of Draft 2013/14 annual budget.	05/03/2013	
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Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	• Incorporate changes in prices for bulk resources and finalise tariff proposals for all charges. • Distribute all budget documentation prior to meeting at which budget is to be tabled. • Table in Council the 2013/16 annual budget & all supporting documents.	• 16/03/2013 • 19/03/2013 – 23/03/2013 • 28/03/2013	
PMS			
	• Compile Individual performance assessment report (2012/13 second Quarter) • Council adopts the 2011/12 annual report with the comments of the oversight committee. • Submit draft 2013/14 SDBIP to the Mayor • Submit draft 2013/14 annual performance agreements to the Mayor	• 15/03/2013 • 28/03/2013 • 28/03/2013 • 28/03/2013	
MPAC			
	• Considering the 2011/12 Annual Report • Consider the 2012/13 SDBIP Review against the Adjustments	• 01/03/2013-15/03/2013 • 01/03/2013-15/03/2013	

Draft Annual Budget 2013/14

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	• Submit Draft MPAC Work programme to council for approval • Submit Draft Oversight Report and Annual Report to Council • Review the individual performance report for section 57	• 28/03/2013 • 28/03/2013 • 01/03/2013-31/03/2013	
IDP			
April 2013	Approval Phase (Draft IDP cont) • Consultations on tabled Draft 2013/14 IDP, Budget & PMS	• 09/04/2013 – 23/04/2013	30 April 2013
Budget			
	• Make public the 2013/16 tabled annual budget & accompanying budget documentation, invite the community to submit representations and submit to Provincial & National Treasury and other affected organs of state. • Consultation on tabled budget, publicise and conduct public hearings and meetings within wards.	• 09/04/2012 – 23/04/2012 • 09/04/2012 –23/04/2012	
PMS			

Draft Annual Budget 2013/14

	• Submit the 2011/12 Annual Report & Oversight Report to	• 09/04/2013	
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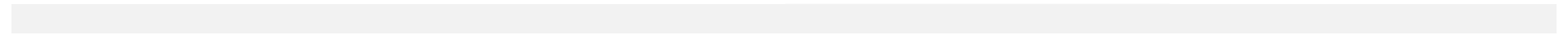
Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	Provincial Treasury, CoGHSTA, AG and Legislature. • Make public the 2011/12 oversight report • Submission of third quarter departmental performance report • Individual performance assessments (2012/13 Third Quarter)	• 09/04/2013 • 09/04/2013 • 02/04/2013 - 30/04/2013	
MPAC			
	• Consider the Draft IDP, Budget and PMS • Consider proposed municipal tariffs • Collection of public representations on municipal tariffs and Capital plan • Consider the 2013/14 Draft SDBIP	• 01/04/2013-30/04/2013 • 01/04/2013-30/04/2013 • 01/04/2013-30/04/2013 • 01/04/2013-30/04/2013	
IDP			
May 2013	Approval Phase (Final IDP) • IDP, Budget & PMS Operational Teams (Analysis & integration of public comments) • IDP, Budget & PMS Technical	• 02/05/2013 • 06/05/2013	31 May 2013

Draft Annual Budget 2013/14

	meeting (Analysis & integration of public comments)	
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Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	- IDP, Budget & PMS Steering meeting (analysis & integration of public comments) - IDP, Budget & PMS Representative meeting (analysis & integration of public comments) - Adjustment of IDP, Budget & PMS in accordance with public comments - Exco considers Draft IDP, Budget & PMS - Mayor tables Final 2013/14 IDP, Budget & PMS for final approval/adoption	09/05/2013 15/05/2013 15/05/2013 – 20/05/2013 20/05/2013 24/05/2013	
Budget			
	- Consider the views of the community and other stakeholders on the 2012/15 budget. - Respond to submissions received & if necessary revise the budget and table amendments for council consideration.	15/05/2013 – 18/05/2013 15/05/2013 – 18/05/2013	
PMS			
	Individual performance assessment report (2012/13)	01/05/2012-14/05/2012	

Draft Annual Budget 2013/14



	Third Quarter)		
	• Approve the 2013/14 SDBIP-	• 31/05/2013	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	final date under legislation 27 July 2013		
	MPAC		
	Consider the Draft IDP, Budget and PMS Make recommendations to council on municipal tariffs and capital plan Consider Fourth Quarter Institutional Performance Report	01/05/2013-20/05/2013 10/05/2013-20/05/2013	

		• 01/05/2013-20/05/2013	
	IDP		
June 2013	- Public Notice on the adoption of IDP, Budget & PMS - Summary of IDP & public notice on the final approval - Submission of the Final Approved IDP to the MEC for Local Government & Housing	07/06/2013 11/06/2013 14/06/2013	30 June 2013
	Budget		
	Submit approved IDP/Budget to National & Provincial Treasury, CoGHSTA and District (10 working days after approval)	14/06/2013	
	MPAC		
	Consider the alignment of final IDP, Budget, PMS and MPAC Work Programme	01/06/2013 - 15/06/2013	

6. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

6.1. VISION OF THE MUNICIPALITY

The vision was therefore revised as follows:

“Best tourist destination in Limpopo by 2020”

6.2. FIVE YEAR STRATEGIC FOCUS AREA

Good governance and institutional excellence: The learning and growth perspective entails skills development and capacitating of employees. Employees are the foundation of the municipality; if employees are skilled and capacitated they will improve the ways they work and both service delivery and individual performance will improve. This perspective will also include leadership, financial and management training. This objective will address NSDP priority area “Effective administration and governance structure.”

Provide, maintain and upgrade municipal assets and services: The core function of the municipality is to provide access to services. Ba-Phalaborwa experiences the following challenges as mentioned under the binding constraints in the strategic alignment and which is directly linked to the NSDP and PGDS: Infrastructure development, poor maintenance plans and infrastructure development plans. If these are not addressed, the municipality will not be able to provide sustainable services to the community and investment and economic growth in the municipal area will be challenged. The infrastructure master plan such as Electricity, roads and water master plans to be developed as a matter of urgency to unlock gaps of the challenges of the infrastructure.

Environmental sustainability: PGDS strategic objective deals with environmental sustainability and climate change. A priority mentioned in the PGDS is that all municipalities have to have environmental management plans. Also mentioned are waste management plans, recycling of waste and water and alternative energy plan. Ba-Phalaborwa plays a leading role in the achievement of this objective as mentioned under NSDP and PGDS priorities.

Develop effective and sustainable stakeholder relationships and partnerships: With the small revenue base it is crucial that partnerships be formed and stakeholder relationships built to ensure cooperation and development of Ba-Phalaborwa and its community. Ba-Phalaborwa has established strategic relationships with the mines, Phalaborwa Foundation and DBSA. Stakeholder management, however, is not structured.

Facilitate local economic growth and provide for mobility and access: The best way to alleviate poverty, curb unemployment and address social problems is to ensure that there are enough jobs so that everybody in the community can earn a living. Ba-Phalaborwa has various projects and initiatives to alleviate poverty and stimulate economic growth. Ba-Phalaborwa's location has established it as developmental and economic nodes in tourism, mining, agriculture and a service node.

Become financially viable: To be sustainable, it is necessary for the municipality to increase its revenue base through expanding its collection points, partnership and investment in the area. Again, investment will only be achieved if the necessary infrastructure is provided and therefore maintenance, upgrading and replacement of infrastructure is of utmost importance for the municipality.

Ensure community well-being; Community well-being does not only have to do with provision of services, but also deals with priorities such as HIV/Aids, education, health, safety and security and literacy. Ba-Phalaborwa strives, together with its stakeholders and partnerships to achieve on all these priorities to ensure healthy and sustained community.

6.3. ALIGNMENT OF IDP WITH NATIONAL AND PROVINCIAL GOVERNMENT

PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	Outcome 9	BA-PHALABORWA
Community Satisfaction	Improve the health profile of society	Fostering Development Partnerships, Social Cohesion and community mobilisation	Strengthen partnerships between local government, communities and civil society	Access to quality education Improved health care	Deepened democracy through a refined ward committee model	Enhance stakeholder involvement
	Building of cohesive, caring and sustainable communities					
Financial	Speed up economic growth and transform the economy to create decent work and sustainable livelihoods.			Ensuring more inclusive economic growth, decent work and sustainable livelihoods	Implement the community work programme and cooperatives supported	Economic and tourism development and growth
					Improved municipal financial capacity	Financial viability

PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	Outcome 9	BA-PHALABORWA
Institutional					Implement a differentiated approach to municipal financing, planning and support	Developmental and performance orientated planning
					Improved access to basic services	
	Programmes to build economic and social infrastructure	Accelerating service delivery and supporting the vulnerable	Ensure that municipalities meet the basic needs of communities	Provision of economic and social infrastructure	Improved access to basic services	Integrated sustainable infrastructure and services
				Cohesive and sustained communities		
	Comprehensive rural development strategy linked to land and agrarian reform and food security			Rural development, food security and land reform	Actions supportive of human settlement outcomes	Developmental and performance orientated planning
Institutional	Sustainable resource management and use			Sustainable resource management and use		Environmental sustainability

PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	Outcome 9	BA-PHALABORWA
	Building of a developmental state including improving of public services and strengthening democratic institutions	Building the Developmental State in Provincial and Local Government that is efficient, effective and responsive	Build clean, responsive and accountable local government	A developmental state including improvement of public services	Single Window of coordination	Good corporate governance
		Strengthen Accountability and Clean Government	Improve functionality, performance and professionalism in municipalities			
			Improve national and provincial policy, support and oversight to local government			
	Intensify the fight against crime and corruption			Fighting crime and corruption		
Institutional	Pursuing African advancement and enhanced international cooperation	Improving the Developmental Capability of the Institution of Traditional Leadership.		Creation of a better Africa and a better world		Good Corporate Governance

PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	Outcome 9	BA-PHALABORWA
Learning and Growth	Strengthening of skills and human resource base				Improved administrative capacity	Attract, retain and build human capital

7. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

7.1. Key Financial Indicators and ratios

LIM334 Ba-Phalaborwa - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.0%	1.4%	3.8%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	7.0%	2.1%	5.5%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	3.1%	3.1%	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	2.8	1.7	0.5	135.3	135.3	135.3	135.3	44.2	42.0	40.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.8	1.7	0.5	135.3	135.3	135.3	135.3	44.2	42.0	40.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.1	0.1	0.0	5.5	5.5	5.5	5.5	0.6	0.7	0.9
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		73.2%	74.2%	51.2%	77.2%	90.0%	90.0%	90.0%	88.5%	87.7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			100.1%	100.1%	100.1%	77.2%	90.0%	90.0%	90.0%	88.5%	87.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	68.0%	57.9%	72.0%	124.4%	125.1%	125.1%	125.1%	59.8%	53.7%	47.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		-9582.2%	0.0%	-1398.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	Total Volume Losses (kℓ)										
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	36.6%	30.4%	0.0%	28.0%	32.2%	32.2%	32.2%	33.2%	31.3%	29.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	5.2%	32.1%	35.9%	35.9%		36.9%	34.8%	33.2%

Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	4.0%	5.5%	5.5%		5.4%	5.3%	4.9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12.6%	16.3%	35.2%	2.1%	24.5%	24.5%	24.5%	23.1%	21.4%	19.2%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	42.8	23.0	–	–	–	–	–	–	–	–
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	133.0%	73.8%	142.2%	254.6%	244.1%	244.1%	244.1%	119.8%	112.2%	106.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(0.0)	(0.7)	(2.5)	0.5	0.1	0.1	0.1	0.1	0.4	1.3

7.2. Measurable Performance Objectives and Indicators

LIM334 Ba-Phalaborwa - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										

Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										

Sub-function 2 - (name)										
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Sub-function 3 - (name)										
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<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
And so on for the rest of the Votes										

8. OVERVIEW OF BUDGET-RELATED POLICIES

The following policies has been reviewed and adopted with this budget for implementation by July 2013

Tariff Policy

The Tariff Policy was reviewed in line with relevant legislation and adopted with this budget for implementation in July 2013

Property Rates Policy

A policy in line with Local Government: Municipal Property Rates Act, Act No. 6 of 2004 was reviewed to take into consideration requirements of Gazette to ensure the implementation of the new property rates act and is adopted with this budget for implementation.

Budget Policy

A budget policy in line with relevant legislation was reviewed and is adopted with this budget for implementation in July 2013.

Asset Management Policy

A policy in line with relevant legislation is reviewed and adopted with this annual budget for implementation in July 2013.

Supply chain management policy

The supply chain management policy in line with relevant legislation was reviewed and is adopted with this budget for implementation in July 2013.

Indigent Household Consumer Policy

The Indigent and household Consumer policy in line with relevant legislation was reviewed and is adopted with this budget for implementation in July 2013. The approved indigent register will be in force as from 1st July 2013.

Credit Control, Debt Collection and Consumer Care Policy

Credit Control and Debt Collection Policy of the municipality was reviewed to take into account relevant legislation and developments in court findings and orders during the year. The policy also covers Consumer Care principles. The policy is adopted with this budget for implementation in July 2013

Investment Policy

The municipality was reviewing an Investment Policy to ensure proper cash management and investment in line with relevant legislation and the policy and is adopted with this budget for implementation. The policy will be implemented after drafting procedure manuals for implementation in July.

Supply Chain Management Policy

The Supply Chain Management Policy was reviewed and adopted with this budget for implementation in July 2013. A reviewed policy in line with relevant legislation is adopted with this budget.

9. OVERVIEW OF BUDGET ASSUMPTIONS

OVERVIEW OF THE BUDGET ASSUMPTIONS

External factors

The following factors were taken consideration and assumption when compiling 2013/14 budget to ensure that the budget is meaningful and easy to understand during the calculation of estimated revenues and expenditures:

- Division of Revenue Bill, 2013
- Stronger public- and private- sector investment
- Domestic outlook
- Population growth
- Risks to the global outlook
- The unwinding global imbalances
- National target in new growth path to create jobs over the next decade
- Sound macroeconomic policy enables the Country to fund social and economic priorities
- Anticipated salary increases
- Demand for services provision on free basic services
- Rates – Tariffs, charges and timing of revenue collection
- Sustainability - Consumer affordability to services municipal services
- Interest rates

Internal factors

KEY FINANCIAL TARGETS

The following assumptions were considered on compilation of 2013/14 budget on revenues: The multi – year budget is underpinned by the following key financial target assumptions:

- Increasing/ maximizing revenue collection on outstanding debtors
- Full implementation of credit control policy and intensifying debt collection
- Revision of cemetery tariffs and other minor sources of income such as building plans
- Improvement on billing system by means of ensuring correctness of meter readings
- Customer education
- Improvement on public participation
- Tariff increase ,
- Macro Growth factor indicator
- Capital Charges
- Total expenditure increases allowed (excluding repairs and maintenance)
- Increase in repairs and maintenance.

There are several sources of information gathered during the compilation of 2013/14 budget:

- Ba-Phalaborwa Five year financial plan
- Treasury circulars 67,66, 59, 58, 55, 54, 51 and 48
- Statistics SA guidelines on economic indicators
- Financial management system and departmental inputs submission
- Consumer/ Customers surveys on services

- Data collected on consumer over the counter
- Integrated Development plan_ 2013-2018
- Five year financial plan 2012-2017

10. OVERVIEW OF BUDGET FUNDING

10.1. SUMMARY OF REVENUE AND FINANCING ACTIVITIES

Table 1 Budgeted Financial Performance (Revenue By Source and Expenditure By Type)

Description	2011/12	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Revenue By Source</u>						
Property rates	34,049	55,000	60,000	65,100	70,634	76,637
Property rates - penalties & collection charges						
Service charges - electricity revenue	64,500	92,000	92,000	92,002	92,327	92,653
Service charges - water revenue		–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–
Service charges - refuse revenue	8,980	7,500	9,000	9,513	10,037	10,548
Service charges - other						
Rental of facilities and equipment	200	174	305	308	330	353
Interest earned - external investments	177					
Interest earned - outstanding debtors	41,117	77,943	77,943	84,568	91,756	99,555
Dividends received			3	2	3	3
Fines	426	950	1,900	1,900	1,950	2,000
Licences and permits	1,482	16,202	6,202	5,690	6,276	6,634
Agency services	560		–			
Transfers recognised - operational	59,910	64,761	65,261	74,154	87,331	112,249
Transfers recognised - capital						

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	20,774	30,778	33,778	29,333	33,301	35,379
Other revenue	1,528	2,093	2,098	1,303	1,352	1,416
Gains on disposal of PPE						
Total Revenue (Including Capital Transfers and Contributions)	233,703	347,401	348,490	363,873	395,295	437,428

- *The table above illustrate the summaries of revenue and financing activities. The estimated revenue is at R463,9million*
- *Equitable share allocation as per Division of Revenue 2013*
- *Highlights of operational grants as per Division of Revenue*
- *Highlights of conditional capital grants as per Division of Revenue*

10.2.1 Grants and subsidies as per Division of Revenue 2013

Description	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Adjustment Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:					
<u>Operating Transfers and Grants</u>					
Local Government Equitable Share	53,751	61,461	69,433	83,307	108,033
Operating Grant: MIG (5% of MIG Grants for PMU)			1,281	1,490	1,599
Finance Management	1,250	1,500	1,550	1,600	1,650
Municipal Systems Improvement	790	800	890	934	967
Excess Employees Grant	2,687				
EPWP	763	1,000	1,000	–	–
DBSA	730				
Total Operating Transfers and Grants	59,971	64,761	74,154	87,331	112,249
<u>Capital Transfers and Grants</u>					
National Government:					
Municipal Infrastructure Grant (MIG)	17,129	20,778	24,333	28,301	30,379
Intergated National Eletrification Grant	4,000	4,000			
Neighbourhood Development Grant		9,000	5,000	5,000	5,000
DBSA	400				
Total Capital Transfers and Grants	21,529	33,778	29,333	33,301	35,379
TOTAL RECEIPTS OF TRANSFERS & GRANTS	81,500	98,539	103,487	120,631	147,628

- *Equitable share has increase from 2012 Division of Revenue – R61,461 million to R69,433 million in 2013*
 - *Financial Management grant also increased from Division of Revenue 2012 from R1,500 million to R1,550 million*
 - *Municipal system Improvement grant increase by R90 thousands as per Division of Revenue 2013.*
 - *Municipal Infrastructure grant as per Division of Revenue from R20,778 million to R25,614 million in 2013.*
 - *Neighbourhood development partnership grant also shows a slightly decline, but an improvement based on adjustment of R9 million to R5 million rand.*

10.2.2 REVENUE ESTIMATES

Allocation of Expenditure per standard item

Description	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Expenditure By Type</u>					
Employee related costs	92,800	101,472	111,154	113,145	120,046
Remuneration of councillors	9,054	11,572	12,185	12,855	13,511
Debt impairment		28,300	29,913	31,558	33,168
Depreciation & asset impairment	74,449	76,500	76,500	76,500	76,500
Finance charges	434	760	803	848	891
Bulk purchases	56,508	80,000	82,060	86,573	90,989
Other materials					
Contracted services	17,648	25,780	28,242	29,795	31,314
Transfers and grants	—	—	—	—	—
Other expenditure	66,266	120,646	129,402	131,547	134,644
Loss on disposal of PPE					
Total Expenditure	317,159	445,030	470,260	482,821	501,063

- The estimated expenditure as per standard item is R470,260 million for the financial year 2013/14
- Included on the expenditure per standard item is the depreciation and impairment of assets at an estimated value of R106,413 million
- Employee related costs for entire staff members exclusive of councillors is estimated at R111,154 million in 2013/14 financial year
- Repairs and maintenance at an estimated value of R18,227 million will be utilised to deal with municipal assets.

10.2.3 ALLOCATION OF MAIN VOTE

EXPENDITURE PER VOTE

Standard Items	Budget Year	Budget Year +1	Budget Year +2
	2013/14	2014/15	2015/16
	R	R	R
COUNCIL AND EXECUTIVE	36,455,797	32,920,797	34,459,948
BUDGET AND TREASURY OFFICE	87,659,304	92,562,416	96,990,630
CORPORATE SERVICES	43,698,774	46,048,060	48,371,009
COMMUNITY AND SOCIAL SERVICES	57,336,250	60,395,226	63,419,110
PLANNING AND DEVELOPEMENT	11,909,850	12,294,241	12,932,161
TECHNICAL SERVICES	233,199,872	238,600,696	244,889,719
TOTAL	470,259,847	482,821,436	501,062,577

- Allocation of expenditure per main vote highlights the share per budget
- The directorate receiving a bigger share in terms of the main votes are Technical Services
- The least directorate receiving smaller share of budget is Planning and development

10.5 FUNDING MEASUREMENT

LIM334 Ba-Phalaborwa Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures	-	-										
Cash/cash equivalents at the year end - R'000	18(1)b	1	(409)	(12,453)	(20,895)	10,661	2,687	2,687	2,687	3,765	12,111	38,434
Cash + investments at the yr end less applications - R'000	18(1)b	2	85,778	126,143	(162,464)	306,506	354,407	354,407	354,407	162,300	156,851	149,980
Cash year end/monthly employee/supplier payments	18(1)b	3	(0.0)	(0.7)	(2.5)	0.5	0.1	0.1	0.1	0.1	0.4	1.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(106,387)	(87,527)	(63,635)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	47.6%	(31.6%)	37.7%	(1.8%)	(6.0%)	(6.0%)	(2.5%)	(2.2%)	(2.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	100.1%	100.1%	100.1%	77.2%	90.0%	90.0%	90.0%	88.5%	87.7%	85.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	11.3%	35.9%	0.0%	1.5%	17.5%	17.5%	17.5%	17.9%	18.2%	18.4%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	54.0%	57.7%	57.7%	57.7%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(14.8%)	43.5%	157.0%	0.0%	0.0%	0.0%	(49.2%)	(2.8%)	(1.5%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	1.1%	1.5%	1.5%	1.6%	1.5%	1.5%	1.5%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

11 . EXPENDITURE ON ALLOCATIONS

EXPENDITURE PER STANDARD ITEM	2013/14 Medium Term Revenue & Expenditure Framework		
	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Expenditure By Type</u>	R'000	R'000	R'000
Employee related costs	111,154,170	113,144,579	120,046,398
Remuneration of councillors	12,185,250	12,855,439	13,511,066
Debt impairment	29,913,100	31,558,321	33,167,795
Depreciation & asset impairment	76,500,000	76,500,000	76,500,000
Finance charges	803,320	847,503	890,725
Bulk purchases	82,060,000	86,573,300	90,988,538
Other materials			
Contracted services	28,241,550	29,794,835	31,314,372
Repairs and Maintenance	18,227,400	19,180,850	19,702,740
Other expenditure	50,555,057	52,136,610	54,920,942
Capital Expenditure - Capital Grants	60,620,000	60,230,000	60,020,000
Total Expenditure	470,259,847	482,821,437	501,062,576

EXPENDITURE ESTIMATES

The table below highlights the estimated expenditure for the 2013/14 financial year. There is a slightly increase on employee related costs as a results of expected annual increase. The municipality has set aside an amount of R31,4 million to expense or contribute on capital expenditure for 2013/14 from own sources of revenue and R29.9 million from Grants funding.

Repairs and maintenance is 30.1%of the total estimated capital budget. National Treasury guides indicate that at least the repairs and maintenance allocation should be 40% of the total capital expenditure budget. The municipality has allocated R60,6million for contribution on capital assets inclusive of grants.

- *The estimated expenditure as per standard item is R470,259 million for the financial year 2013/14*
- *Included on the expenditure per standard item is the depreciation and impairment of assets at an estimated value of R106,413 million*
- *An amount of R29,913 million has been set aside to deal with infrastructure development funded by grants from Central government*
- *Employee related costs for entire staff members exclusive of councillors is estimated at R111,154 million in 2013/14 financial year*
- *Repairs and maintenance at an estimated value of R18,227million will be utilised to deal with municipal assets.*

See the table below

Summary of Expenditure per Sub-Vote

BA-PHALABORWA MUNICIPALITY						
MTREF BUDGET 2013/14						
EXPENDITURE						
VOTES	OPEX	CAPEX (Community & Infrastructure Assets)	CAPEX (Administration)	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
	R	R	R	R	R	R
Executive and Council						
Municipal Council	12,834,569			12,834,569	13,540,470	14,231,034
Office of the Mayor	7,343,916			7,343,916	7,809,425	8,273,205
Office of the Municipal Manager	6,261,767			6,261,767	1,430,598	1,513,391
Strategic Planning and Performance Management	2,447,310		1,100,000	3,547,310	3,774,199	3,999,679
Internal Audit and Risk Management	2,380,928		800,000	3,180,928	3,319,551	3,457,634
Disaster Management	3,287,307			3,287,307	3,046,554	2,985,005
	34,555,797	-	1,900,000	36,455,797	32,920,797	34,459,948
Budget and Treasury Department						
Office of the CFO	5,272,389			5,272,389	5,564,837	5,856,506
Financial Planning and Reporting	3,199,062			3,199,062	3,404,469	3,609,471

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Financial Control and Expenditure Management	30,446,303		1,500,000	31,946,303	33,259,704	34,551,391
Revenue and Debt Management	43,907,210			43,907,210	46,379,734	48,806,473
Supply Chain Management and Stores	3,334,340			3,334,340	3,953,671	4,166,788
	86,159,304	-	1,500,000	87,659,304	92,562,416	96,990,630
Corporate Services						
Office of the Director	1,838,682			1,838,682	1,960,993	2,082,783
Human Resources	12,181,356			12,181,356	12,900,707	13,610,523
Information Technology	1,407,283		1,900,000	3,307,283	3,379,786	3,451,606
Administration	22,871,454		3,500,000	26,371,454	27,806,575	29,226,097
	38,298,774	-	5,400,000	43,698,774	46,048,060	48,371,009
Community and Social Services						
Office of the Director	2,104,045			2,104,045	2,243,129	2,381,855
Libraries	3,020,238			3,020,238	3,208,678	3,396,100
Parks	12,777,177			12,777,177	13,542,567	14,306,282
Cemeteries	1,616,335	6,000,000		7,616,335	7,734,425	7,831,958
Traffic	9,961,459		1,000,000	10,961,459	11,565,617	12,164,399
Licensing	4,586,115			4,586,115	4,880,416	5,174,116
Environmental Health	11,080,681			11,080,681	11,774,789	12,467,801
Waste Management	5,190,201			5,190,201	5,445,604	5,696,597
	50,336,250	6,000,000	1,000,000	57,336,250	60,395,226	63,419,110
Planning and Development						
Office of the Director	1,655,547			1,655,547	1,765,030	1,873,966
Economic Development	1,850,328	2,700,000		4,550,328	4,625,168	4,954,487

Town Planning	5,703,974			5,703,974	5,904,043	6,103,708
	9,209,850	2,700,000	-	11,909,850	12,294,241	12,932,161
Technical Services Department						
Officer of the Director	4,344,932			4,344,932	3,560,291	3,775,294
Electrical Services	105,958,567	20,000,000		125,958,567	131,285,316	136,509,664
Building Section	17,903,969	5,000,000		22,903,969	23,248,970	23,587,030
Water Services	-					
Waste Water Management	-					
Roads and Storm Water Services	59,992,348	17,120,000		77,112,348	77,437,084	77,760,440
Project Management Unit	956,119			956,119	1,020,554	1,084,793
Mechanical Workshop	1,923,936			1,923,936	2,048,481	2,172,497
	191,079,872	42,120,000	-	233,199,872	238,600,696	244,889,719
TOTAL FOR THE MUNICIPALITY						
	409,639,847	50,820,000	9,800,000	470,259,847	482,821,436	501,062,577

12 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITIES

In the 2012/13 MTREF no allocations were made by the Municipality to:

- + Other municipalities;
- + Municipal Entities and other external service delivery mechanisms;
- + Any other organs of state; and
- + Any other organisation outside government

13 COUNCILLORS AND BOARD MEMBER ALLOWANCE AND EMPLOYEE BENEFITS

13.2 Summary of Councillors and Staff Benefits

LIM334 Ba-Phalaborwa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
-	1	A	B	C	D	E	F	G	H	I
<u>Councillors (Political Office Bearers plus Other)</u>										
Basic Salaries and Wages				6,177	10,156	9,122	9,122	9,605	10,134	10,650
Pension and UIF Contributions				21		-		-	-	-
Medical Aid Contributions						-		-	-	-
Motor Vehicle Allowance				2,061	2,378	2,000	2,000	2,106	2,222	2,335
Cellphone Allowance				448	504	450	450	474	500	525
Housing Allowances										
Other benefits and allowances				347						
Sub Total - Councillors		-	-	9,054	13,039	11,572	11,572	12,185	12,855	13,511
% increase	4		-	-	44.0%	(11.2%)	-	5.3%	5.5%	5.1%
<u>Senior Managers of the Municipality</u>	2									
Basic Salaries and Wages				2,091	5,740	5,348	5,348			
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3				72	72	72			
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		-	-	2,091	5,812	5,420	5,420	-	-	-

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% increase	4		-	-	178.0%	(6.8%)	-	(100.0%)	-	-
Other Municipal Staff										
Basic Salaries and Wages					50,467	58,157	58,157	67,462	69,033	73,244
Pension and UIF Contributions					9,299	7,340	7,340	14,009	14,676	15,571
Medical Aid Contributions					9,897	15,132	15,132	4,563	4,694	4,980
Overtime					2,300	5,385	5,385	3,594	3,667	3,891
Performance Bonus										
Motor Vehicle Allowance	3				7,003	5,155	5,155	13,058	12,335	13,087
Cellphone Allowance	3				581	1,617	1,617	990	981	1,041
Housing Allowances	3				3,265	3,265	3,265	1,555	1,451	1,539
Other benefits and allowances	3							5,923	6,308	6,693
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		-	-	-	82,813	96,052	96,052	111,154	113,145	120,046
% increase	4		-	-	-	16.0%	-	15.7%	1.8%	6.1%
Total Parent Municipality		-	-	11,144	101,663	113,044	113,044	123,339	126,000	133,557
Board Members of Entities										
Basic Salaries and Wages			-	-	812.3%	11.2%	-	9.1%	2.2%	6.0%
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-

Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		-	-	11,144	101,663	113,044	113,044	123,339	126,000	133,557
% increase	4		-	-	812.3%	11.2%	-	9.1%	2.2%	6.0%
TOTAL MANAGERS AND STAFF	5,7	-	-	2,091	88,625	101,472	101,472	111,154	113,145	120,046

13.3 Disclosure of Salaries for Political Office Bearers, Councillors and Senior Managers

LIM334 Ba-Phalaborwa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		701,792					701,792
Chief Whip			564,716					564,716
Executive Mayor			530,730					530,730
Deputy Executive Mayor			293,432					293,432
Executive Committee			10,094,580					10,094,580
Total for all other councillors								–
Total Councillors	8	–	12,185,250	–	–			12,185,250
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1,333,878					1,333,878
Chief Finance Officer			1,048,082					1,048,082
Director Technical Services			822,387					822,387
Director Corporate Services			926,237					926,237
Director Planning			880,168					880,168
Director Community Services			926,237					926,237
List of each official with packages >= senior manager								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–

								-
								-
Total Senior Managers of the Municipality	8,10	-	5,936,990	-	-	-		5,936,990
<u>A Heading for Each Entity</u> List each member of board by designation	6,7							
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	18,122,240	-	-	-		18,122,240

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14. MONTHLY TARGETS FOR REVENUE AND EXPENDITURE

LIM334 Ba-Phalaborwa - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2013/14												Medium T
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14
R thousand														
Revenue By Source	-													
Property rates		5,425	5,425	5,425	5,425	5,425	5,425	5,425	5,425	5,425	5,425	5,425	5,425	65,100
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	92,002
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		793	793	793	793	793	793	793	793	793	793	793	793	9,513
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		26	26	26	26	26	26	26	26	26	26	26	26	308
Interest earned - external investments		-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors		7,047	7,047	7,047	7,047	7,047	7,047	7,047	7,047	7,047	7,047	7,047	7,047	84,568
Dividends received		0	0	0	0	0	0	0	0	0	0	0	0	2
Fines		158	158	158	158	158	158	158	158	158	158	158	158	1,900
Licences and permits		474	474	474	474	474	474	474	474	474	474	474	474	5,690
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		6,179	6,179	6,179	6,179	6,179	6,179	6,179	6,179	6,179	6,179	6,179	6,179	74,154
Other revenue		109	109	109	109	109	109	109	109	109	109	109	109	1,303

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Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		27,878	27,878	27,878	27,878	27,878	27,878	27,878	27,878	27,878	27,878	27,878	334,540
Expenditure By Type													
Employee related costs		9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	111,154
Remuneration of councillors		1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	12,185
Debt impairment		2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	29,913
Depreciation & asset impairment		6,375	6,375	6,375	6,375	6,375	6,375	6,375	6,375	6,375	6,375	6,375	76,500
Finance charges		67	67	67	67	67	67	67	67	67	67	67	803
Bulk purchases		6,838	6,838	6,838	6,838	6,838	6,838	6,838	6,838	6,838	6,838	6,838	82,060
Other materials		-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	28,242
Transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		10,784	10,784	10,784	10,784	10,784	10,784	10,784	10,784	10,784	10,784	10,784	129,402
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		39,188	39,188	39,188	39,188	39,188	39,188	39,188	39,188	39,188	39,188	39,188	470,260
Surplus/(Deficit)		(11,310)	(11,310)	(11,310)	(11,310)	(11,310)	(11,310)	(11,310)	(11,310)	(11,310)	(11,310)	(11,310)	(135,720)
Transfers recognised - capital		2,444	2,444	2,444	2,444	2,444	2,444	2,444	2,444	2,444	2,444	2,444	29,333
Contributions recognised - capital													-
Contributed assets													-
Surplus/(Deficit) after capital transfers & contributions		(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(106,387)
Taxation													-
Attributable to minorities													-
Share of surplus/ (deficit) of associate													-
Surplus/(Deficit)	1	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(8,866)	(106,387)

15. Budgeted monthly revenue and expenditure (Standard classification)

LIM334 Ba-Phalaborwa - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2013/14												Medium Term
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14
Revenue - Standard	-													
Governance and administration		18,513	18,513	18,513	18,513	18,513	18,513	18,513	18,513	18,513	18,513	18,513	18,513	222,160
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		18,488	18,488	18,488	18,488	18,488	18,488	18,488	18,488	18,488	18,488	18,488	18,488	221,852
Corporate services		26	26	26	26	26	26	26	26	26	26	26	26	308
Community and public safety		657	657	657	657	657	657	657	657	657	657	657	657	7,889
Community and social services		497	497	497	497	497	497	497	497	497	497	497	497	5,969
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		160	160	160	160	160	160	160	160	160	160	160	160	1,920
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	32,309
Planning and development		1	1	1	1	1	1	1	1	1	1	1	1	15
Road transport		2,691	2,691	2,691	2,691	2,691	2,691	2,691	2,691	2,691	2,691	2,691	2,691	32,294
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		8,460	8,460	8,460	8,460	8,460	8,460	8,460	8,460	8,460	8,460	8,460	8,460	101,515
Electricity		7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	7,667	92,002
Water		-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		793	793	793	793	793	793	793	793	793	793	793	793	9,513
Other		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard		30,323	30,323	30,323	30,323	30,323	30,323	30,323	30,323	30,323	30,323	30,323	30,323	363,873
Expenditure - Standard	-													
Governance and administration		13,984	13,984	13,984	13,984	13,984	13,984	13,984	13,984	13,984	13,984	13,984	13,984	167,814
Executive and council		3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	3,038	36,456
Budget and treasury office		7,305	7,305	7,305	7,305	7,305	7,305	7,305	7,305	7,305	7,305	7,305	7,305	87,659
Corporate services		3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	43,699
Community and public safety		4,346	4,346	4,346	4,346	4,346	4,346	4,346	4,346	4,346	4,346	4,346	4,346	52,146
Community and social services		3,432	3,432	3,432	3,432	3,432	3,432	3,432	3,432	3,432	3,432	3,432	3,432	41,185

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Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		913	913	913	913	913	913	913	913	913	913	913	913	10,961
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		9,954	9,954	9,954	9,954	9,954	9,954	9,954	9,954	9,954	9,954	9,954	9,654	119,151
Planning and development		1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	717	11,910
Road transport		8,937	8,937	8,937	8,937	8,937	8,937	8,937	8,937	8,937	8,937	8,937	8,937	107,241
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		10,929	10,929	10,929	10,929	10,929	10,929	10,929	10,929	10,929	10,929	10,929	10,929	131,149
Electricity		10,497	10,497	10,497	10,497	10,497	10,497	10,497	10,497	10,497	10,497	10,497	10,497	125,959
Water		-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		433	433	433	433	433	433	433	433	433	433	433	433	5,190
Other		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard		39,213	39,213	39,213	39,213	39,213	39,213	39,213	39,213	39,213	39,213	39,213	38,913	470,260
Surplus/(Deficit) before assoc.		(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,591)	(106,387)
Share of surplus/ (deficit) of associate													-	-
Surplus/(Deficit)	1	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,891)	(8,591)	(106,387)

16. Budgeted monthly capital expenditure municipal vote

LIM334 Ba-Phalaborwa - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description R thousand	Ref	Budget Year 2013/14												Medium Term
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14
Multi-year expenditure to be appropriated	1													
Vote 1 - Executive and Council													-	-
Vote 2 - Budget and Treasury Department													-	-
Vote 3 - Corporate Services													-	-
Vote 4 - Community and Social Services													-	-
Vote 5 - Planning and Development													-	-
Vote 6 - Technical Services Department													-	-
0													-	-
0													-	-
0													-	-
0													-	-
0													-	-
0													-	-
0													-	-
0													-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated														
Vote 1 - Executive and Council		158	158	158	158	158	158	158	158	158	158	158	158	1,900
Vote 2 - Budget and Treasury Department		125	125	125	125	125	125	125	125	125	125	125	125	1,500
Vote 3 - Corporate Services		450	450	450	450	450	450	450	450	450	450	450	450	5,400
Vote 4 - Community and Social Services		583	583	583	583	583	583	583	583	583	583	583	583	7,000
Vote 5 - Planning and Development		225	225	225	225	225	225	225	225	225	225	225	225	2,700
Vote 6 - Technical Services Department		3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	42,120
0													-	-

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0													-	-
0													-	-
0													-	-
0													-	-
0													-	-
0													-	-
0													-	-
0													-	-
Capital single-year expenditure sub-total	2	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	60,620
Total Capital Expenditure	2	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	60,620

17. Budgeted monthly cash flow

LIM334 Ba-Phalaborwa - Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework	
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15
R thousand														
<u>Cash Receipts By Source</u>													1	
Property rates	4,883	4,883	4,883	4,883	4,883	4,883	4,883	4,883	4,883	4,883	4,883	4,883	58,590	
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - electricity revenue	6,900	6,900	6,900	6,900	6,900	6,900	6,900	6,900	6,900	6,900	6,900	3,220	79,122	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	452	452	452	452	452	452	452	452	452	452	452	452	5,423	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	15	15	15	15	15	15	15	15	15	15	15	15	175	
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest earned - outstanding debtors		6,838				6,838	6,838	6,838	6,838	6,838	6,838	6,838	82,060	

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	6,838		6,838	6,838	6,838									
Dividends received	0	0	0	0	0	0	0	0	0	0	0	0	1	
Fines	90	90	90	90	90	90	90	90	90	90	90	90	1,083	
Licences and permits	270	270	270	270	270	270	270	270	270	270	270	270	3,243	
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	
Transfer receipts - operational	24,718				24,718				24,718			–	74,154	
Other revenue	62	62	62	62	62	62	62	62	62	62	62	62	743	
Cash Receipts by Source	44,228	19,510	19,510	19,510	44,228	19,510	19,510	19,510	44,228	19,510	19,510	15,830	304,594	
Other Cash Flows by Source														
Transfer receipts - capital	9,778				9,778				9,778			–	29,333	
Contributions recognised - capital & Contributed assets												–		
Proceeds on disposal of PPE												–		
Short term loans												–		
Borrowing long term/refinancing												–		
Increase (decrease) in consumer deposits												–		
Decrease (Increase) in non-current debtors												–		
Decrease (increase) other non-current receivables												–		
Decrease (increase) in non-current investments												–		
Total Cash Receipts by Source	54,006	19,510	19,510	19,510	54,006	19,510	19,510	19,510	54,006	19,510	19,510	15,830	333,927	
Cash Payments by Type														
Employee related costs	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	111,154	
Remuneration of councillors	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	12,185	
Finance charges	67	67	67	67	67	67	67	67	67	67	67	67	803	
Bulk purchases - Electricity	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	77,795	
Bulk purchases - Water & Sewer												–		
Other materials												–		
Contracted services	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	28,242	
Transfers and grants - other municipalities												–		
Transfers and grants - other												–		
Other expenditure		3,530				3,530	3,530	3,530	3,530	3,530	3,530	3,530	42,362	

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	3,530		3,530	3,530	3,530									
Cash Payments by Type	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	272,541	
Other Cash Flows/Payments by Type														
Capital assets	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	60,620	
Repayment of borrowing												–		
Other Cash Flows/Payments												–		
Total Cash Payments by Type	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	333,161	
NET INCREASE/(DECREASE) IN CASH HELD	26,242	(8,253)	(8,253)	(8,253)	26,242	(8,253)	(8,253)	(8,253)	26,242	(8,253)	(8,253)	(11,934)	765	
Cash/cash equivalents at the month/year begin:	3,000	29,242	20,989	12,735	4,482	30,724	22,471	14,217	5,964	32,206	23,952	15,699	3,000	
Cash/cash equivalents at the month/year end:	29,242	20,989	12,735	4,482	30,724	22,471	14,217	5,964	32,206	23,952	15,699	3,765	3,765	

15 ANNUAL BUDGET AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS

The service delivery and budget implementation plan is tabled by the Mayor with this budget and IDP

16 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

All services to be acquired on contracts are within the MTREF budget allocation. There is no project indicative to spent muliti-year and above three years.

17 CAPITAL EXPENDITURE DETAILS

17.1 CAPITAL EXPENDITURE ON NEW ASSETS BY ASSET CLASS

LIM334 Ba-Phalaborwa - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure on new assets by Asset Class/Sub-class										
-										
Infrastructure		-	-	-	49,778	52,782	52,782	43,620	43,620	43,620
Infrastructure - Road transport		-	-	-	26,778	29,778	29,778	22,120	22,120	22,120
Roads, Pavements & Bridges					26,778	29,778	29,778	22,120	22,120	22,120
Storm water										
Infrastructure - Electricity		-	-	-	23,000	23,004	23,004	20,000	20,000	20,000
Generation										
Transmission & Reticulation					23,000	23,004	23,004	20,000	20,000	20,000
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	1,500	1,500	1,500
Waste Management										
Transportation	2									

Gas									
Other							1,500	1,500	1,500
Community	-	-	-	1,400	-	-	7,000	7,000	7,000
Parks & gardens									
Sportsfields & stadia				500	-	-			
Swimming pools									
Community halls									
Libraries									
Recreational facilities									
Fire, safety & emergency									
Security and policing									
Buses									
Clinics									
Museums & Art Galleries									
Cemeteries									
Social rental housing									
Other				900	-	-	7,000	7,000	7,000
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings									
Other									
Investment properties	-	-	-	-	-	-	-	-	-
Housing development									
Other									
Other assets	-	-	-	2,939	3,139	3,139	10,000	9,610	9,400
General vehicles									
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment					200	200			
Computers - hardware/equipment							1,600	1,600	1,600
Furniture and other office equipment				2,939	2,939	2,939	2,000	2,000	2,000

Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings							1,500	1,500	1,500	
Other Land										
Surplus Assets - (Investment or Inventory)										
Other							4,900	4,510	4,300	
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
<u>Intangibles</u>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Capital Expenditure on new assets	1	-	-	-	54,117	55,921	55,921	60,620	60,230	60,020
<u>Specialised vehicles</u>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

17.2 DETAILED CAPITAL PROGRAMMES

Program/Project description	Asset Class	2013/14 Medium Term Revenue & Expenditure Framework
		Budget Year 2013/14
Security Access System	Internal Audit and Risk Management	1,000,000
MIE Security Background Screening	Internal Audit and Risk Management	100,000
Development of disaster recovery Plan	Disaster Management	800,000
ASSET UNBUNDLING	Financial Control and Expenditure Management	1,500,000
Upgrading of ICT infrastructure (Servers and data lines)	Information Technology	1,500,000
Development of the municipal IT master plan document	Information Technology	400,000
Office furniture & Equipments	Administration	2,000,000
Extension of Municipal Offices (Planning Phase)	Administration	1,500,000
Establishment and Development at new Lulekani graveyard	Cemeteries	2,000,000
Identification of land in Gravelotte for cemetery & EIA	Cemeteries	3,000,000
Development of new graveyard in Lulekani	Cemeteries	-
Assist with the process of fencing and accessibility at Tribal and Private cemeteries	Cemeteries	1,000,000
Identification of Driver's test station for yard tests & offices including EIA	Traffic	1,000,000
Property vesting – correcting incorrect property registrations in the whole municipality	Town Planning	2,000,000
Review of the SDF	Town Planning	350,000
Review of LUMS	Town Planning	350,000
STRENGTHENING OF SELATI MAIN TO EXTENSION 7 -11KV	Electrical Services	5,000,000
Upgrading of Selati Sub-station in Phalaborwa	Electrical Services	8,500,000
Back-up Generator	Electrical Services	600,000
Ba-Phalaborwa high mast lights & energy street lights	Electrical Services	

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		5,900,000
NDPG Projects	Building Section	5,000,000
SELWANE STREET PAVING – PHASE 1	Roads and storm water services	420,000
HANIEVILLE TO TOPVILLE STREET PAVING	Roads and storm water services	6,000,000
Matikoxikaya/Humulani street paving	Roads and storm water services	5,400,000
Patamedi street paving in Makhushane	Roads and storm water services	2,500,000
Culverts to Humulani Cemetery at Matikoxikaya	Roads and storm water services	200,000
Culverts at Nyakelag 3 to graveyard	Roads and storm water services	200,000
Culvert at Mashishimale to Mosemaneng	Roads and storm water services	200,000
Culvert at Lulekani Police Station to 4 rooms	Roads and storm water services	200,000
Road Master Plan	Roads and storm water services	2,000,000
Total Capital		60,620,000

18 LEGISLATION COMPLIANCE STATUS

The budget compilation has taken into account the following legislative documents

- ❖ Municipal Finance Management Act (MFMA), Act No.56 of 2003
- ❖ Division of Revenue of Act (DoRA) and the Bill 2012
- ❖ Budget Regulations and Circulars
- ❖ Asset Management Regulations
- ❖ Municipal systems Act, 2000
- ❖ Minimum Competency Levels of Municipal Finance Officers Regulations
- ❖ Local Government: Municipal Property Rates Act(MPRA)
- ❖ Municipal Budget and Reporting Regulations (MBRR)

19 OTHER SUPPORTING DOCUMENTS

19.1 Supporting details to Budgeted Financial Performance

LIM334 Ba-Phalaborwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>	6										
Total Property Rates		47,504	72,123	34,049	55,000	60,000	60,000	60,000	65,100	70,634	76,637
<i>less Revenue Foregone</i>											
Net Property Rates		47,504	72,123	34,049	55,000	60,000	60,000	60,000	65,100	70,634	76,637
<u>Service charges - electricity revenue</u>	6										
Total Service charges - electricity revenue		40,459	63,807	64,500	92,000	92,000	92,000	92,000	92,002	92,327	92,653
<i>less Revenue Foregone</i>											
Net Service charges - electricity revenue		40,459	63,807	64,500	92,000	92,000	92,000	92,000	92,002	92,327	92,653
<u>Service charges - water revenue</u>	6										
Total Service charges - water revenue											
<i>less Revenue Foregone</i>											
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - sanitation revenue</u>											
Total Service charges - sanitation revenue											
<i>less Revenue Foregone</i>											
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - refuse revenue</u>	6										
Total refuse removal revenue					7,500	9,000	9,000	9,000	9,513	10,037	10,548

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Total landfill revenue less Revenue Foregone		6,127	8,555	8,980							
Net Service charges - refuse revenue		6,127	8,555	8,980	7,500	9,000	9,000	9,000	9,513	10,037	10,548
<u>Other Revenue by source</u>											
List other revenue by source		1,652	17,742	1,528	2,093	2,098	2,098	2,098	1,303	1,352	1,416
	3										
Total 'Other' Revenue	1	1,652	17,742	1,528	2,093	2,098	2,098	2,098	1,303	1,352	1,416
EXPENDITURE ITEMS:											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	38,500	45,879		56,202	63,505	63,505	63,505	67,462	69,033	73,244
Pension and UIF Contributions		9,314	11,615		9,299	17,237	17,237	17,237	14,009	14,676	15,571
Medical Aid Contributions					9,897				4,563	4,694	4,980
Overtime		1,030	900		2,300	3,336	3,336	3,336	3,594	3,667	3,891
Performance Bonus											
Motor Vehicle Allowance		7,588	7,038		7,003	12,890	12,890	12,890	13,058	12,335	13,087
Cellphone Allowance					653				990	981	1,041
Housing Allowances		7,359	653		3,265	1,418	1,418	1,418	1,555	1,451	1,539
Other benefits and allowances		3,544	6,701			3,085	3,085	3,085	5,923	6,308	6,693
Payments in lieu of leave											
Long service awards											

Post-retirement benefit obligations	4										
sub-total	5	67,334	72,786	-	88,620	101,472	101,472	101,472	111,154	113,145	120,046
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	67,334	72,786	-	88,620	101,472	101,472	101,472	111,154	113,145	120,046
Contributions recognised - capital											
List contributions by contract											
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		22,529	38,171	74,449	5,395	76,500	76,500	76,500	76,500	76,500	76,500
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	22,529	38,171	74,449	5,395	76,500	76,500	76,500	76,500	76,500	76,500
Bulk purchases											
Electricity Bulk Purchases		35,646	41,106	56,508	80,000	80,000	80,000	80,000	82,060	86,573	90,989
Water Bulk Purchases											
Total bulk purchases	1	35,646	41,106	56,508	80,000	80,000	80,000	80,000	82,060	86,573	90,989
Transfers and grants											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	-	-	-	-	-	-	-	-	-
Contracted services											
List services provided by contract		10,294	5,976	17,648	9,580	25,780	25,780	25,780	28,242	29,795	31,314

b.Matrix Financial Performance

LIM334 Ba-Phalaborwa - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	Ref	Vote 1 - Executive and Council	Vote 2 - Budget and Treasury Department	Vote 3 - Corporate Services	Vote 4 - Community and Social Services	Vote 5 - Planning and Development	Vote 6 - Technical Services Department	0	0	0	0	0	0
R thousand	1												
Revenue By Source													
Property rates			65,100										
Property rates - penalties & collection charges													
Service charges - electricity revenue							92,002						
Service charges - water revenue													
Service charges - sanitation revenue													
Service charges - refuse revenue					9,513								
Service charges - other													
Rental of facilities and equipment				308									
Interest earned - external investments													
Interest earned - outstanding debtors			84,568										
Dividends received			2										
Fines					1,900								
Licences and permits					5,690								
Agency services													
Other revenue			309		299	15	680						
Transfers recognised - operational			71,873				2,281						
Gains on disposal of PPE													
Total Revenue (excluding capital transfers and contributions)		-	221,852	308	17,402	15	94,963	-	-	-	-	-	-
Expenditure By Type	-												
Employee related costs		14,089	18,947	15,730	34,299	6,967	21,120						
Remuneration of councillors		12,185											
Debt impairment			29,913										
Depreciation & asset impairment			7,500				69,000						
Finance charges			803										

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Bulk purchases						84,560						
Other materials		16,965	8,000	3,277								
Contracted services												
Transfers and grants												
Other expenditure	10,118	13,531	19,968	19,760	5,242	63,483						
Loss on disposal of PPE												
Total Expenditure	36,392	87,659	43,699	57,336	12,210	238,163	-	-	-	-	-	-
Surplus/(Deficit)	(36,392)	134,193	(43,391)	(39,934)	(12,195)	(143,201)	-	-	-	-	-	-
Transfers recognised - capital						29,333						
Contributions recognised - capital												
Contributed assets												
Surplus/(Deficit) after capital transfers & contributions	(36,392)	134,193	(43,391)	(39,934)	(12,195)	(113,867)	-	-	-	-	-	-

c.Supporting Details to Budgeted Financial Position

LIM334 Ba-Phalaborwa - Supporting
Table SA3 Supporting detail to
'Budgeted Financial Position'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits < 90 days					3,500	3,500	3,500	3,500	500	350	900
Other current investments > 90 days											
Total Call investment deposits	2	-	-	-	3,500	3,500	3,500	3,500	500	350	900
<u>Consumer debtors</u>											
Consumer debtors		125,300	106,790	152,863	375,000	375,000	375,000	375,000	180,000	175,000	170,000
<u>Less: Provision for debt impairment</u>											
Total Consumer debtors	2	125,300	106,790	152,863	375,000	375,000	375,000	375,000	180,000	175,000	170,000
<u>Debt impairment provision</u>											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
Balance at end of year		-	-	-	-	-	-	-	-	-	-
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)		920,636	978,434	1,191,694	1,163,616	1,163,616	1,163,616	1,163,616	1,222,960	1,285,331	1,350,883
Leases recognised as PPE											
<u>Less: Accumulated depreciation</u>											
Total Property, plant and equipment (PPE)	2	920,636	978,434	1,191,694	1,163,616	1,163,616	1,163,616	1,163,616	1,222,960	1,285,331	1,350,883
LIABILITIES											

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Current liabilities - Borrowing										
Short term loans (other than bank overdraft)										
Current portion of long-term liabilities	3,925	54,166	4,200							
Total Current liabilities - Borrowing	3,925	54,166	4,200	-	-	-	-	-	-	-
Trade and other payables										
Trade and other creditors	39,217		292,170							
Unspent conditional transfers			2,789							
VAT										
Total Trade and other payables	39,217	-	294,959	-	-	-	-	-	-	-
Non current liabilities - Borrowing										
Borrowing	4,773	2,140	4,389							
Finance leases (including PPP asset element)	20,904	23,510	32,229							
Total Non current liabilities - Borrowing	25,678	25,650	36,618	-	-	-	-	-	-	-
Provisions - non-current										
Retirement benefits										
List other major provision items										
Refuse landfill site rehabilitation										
Other										
Total Provisions - non-current	-	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS										
Accumulated Surplus/(Deficit)										
Accumulated Surplus/(Deficit) - opening balance										
GRAP adjustments										
Restated balance	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(111,587)	(88,139)	(69,107)
Appropriations to Reserves										
Transfers from Reserves										
Depreciation offsets										
Other adjustments										
Accumulated Surplus/(Deficit)	(25,138)	(24,803)	9,252	(0)	(96,540)	(96,540)	(96,540)	(111,587)	(88,139)	(69,107)
Reserves										
Housing Development Fund										
Capital replacement										
Self-insurance										

Other reserves		819,118	819,118	920,733					879,231	924,072	971,199
Revaluation											
Total Reserves	2	819,118	819,118	920,733	-	-	-	-	879,231	924,072	971,199
TOTAL COMMUNITY WEALTH/EQUITY	2	793,980	794,315	929,984	(0)	(96,540)	(96,540)	(96,540)	767,644	835,932	902,093

d.The municipality has no entities.

e.Reconciliation of transfers, Grant Receipts and Unspent Funds

LIM334 Ba-Phalaborwa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
<u>Operating transfers and grants:</u>	1,3									
National Government:										
Balance unspent at beginning of the year					64,761	64,761	64,761	74,154	87,331	112,249
Current year receipts										
Conditions met - transferred to revenue		-	-	-	64,761	64,761	64,761	74,154	87,331	112,249
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts						500	500			
Conditions met - transferred to revenue		-	-	-	-	500	500	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		-	-	-	64,761	65,261	65,261	74,154	87,331	112,249
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
<u>Capital transfers and grants:</u>	1,3									
National Government:										

Balance unspent at beginning of the year					2,233	2,233				
Current year receipts				30,778	33,778	33,778	29,333	33,301	35,379	
Conditions met - transferred to revenue		-	-	-	30,778	36,011	36,011	29,333	33,301	35,379
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		-	-	-	30,778	36,011	36,011	29,333	33,301	35,379
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	-	95,539	101,272	101,272	103,487	120,631	147,628
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	

f.Future Financial Implications

The municipality has no programmes above the three year budgeting cycle

g.Projects Delayed from Previous Financial Years

No project delays from the previous financial year.

h.Summary of capital programmes per source

MIG Project description	Amount
Identification of land in Gravelotte for cemetery & EIA	3,000,000
Development of new graveyard in Lulekani	-
Assist with the process of fencing and accessibility at Tribal and Private cemeteries	1,000,000
Ba-Phalaborwa high mast lights & energy street lights	5,900,000
SELWANE STREET PAVING – PHASE 1	420,000
HANIEVILLE TO TOPVILLE STREET PAVING	6,000,000
Matikoxikaya/Humulani street paving	5,400,000
Patamedi street paving in Makhushane	2,500,000
	<u>24,220,000</u>

NDPG Project	Amount
NDPG Project	<u>5,000,000</u>
	<u>5,000,000</u>

Own Funding Project description	Amount
ASSET UNBUNDLING	1,500,000
Upgrading of ICT infrastructure (Servers and data lines)	1,500,000
Security Access System	1,000,000
MIE Security Background Screening	100,000
Development of disaster recovery Plan	800,000
Development of the municipal IT master plan document	400,000
Office furniture & Equipments	2,000,000
Extension of Municipal Offices (Planning Phase)	1,500,000
Establishment and Development at new Lulekani graveyard	2,000,000
Identification of Driver's test station for yard tests & offices including EIA	1,000,000
Property vesting – correcting incorrect property registrations in the whole municipality	2,000,000
Review of the SDF	350,000
Review of LUMS	350,000
STRENGTHENING OF SELATI MAIN TO EXTENSION 7 -11 KV	5,000,000
Upgrading of Selati Sub-station in Phalaborwa	8,500,000
Back-up Generator	600,000
Culverts to Humulani Cemetery at Matikoxikaya	400,000.00
Culverts at Nyakelag 3 to graveyard	200,000.00
Culvert at Mashishimale to Mosemaneng	200,000.00
Culvert at Lulekani Police Station to 4 rooms	200,000.00
Road Master Plan	2,000,000
Total Own funding Capital	31,400,000

Total Capital Expenditure for 2013/14

60,620,000

The estimated capital programme expenditure for the financial year 2013/14 is at R60,620,000

20 MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I **SETIMELA SIMPSON SEBASHE**, Municipal manager of **BA-PHALABORWA MUNICIPALITY**, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and regulations made under the act, and that the annual budget and supporting documents made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: **Sebashe S S (Dr)**

Municipal Manager: **Ba-Phalaborwa Municipality (LIM334)**

Signature: _____

Date: _____